

ROMNEY: THIS YEAR'S
COMPASSIONATE CON

OBAMA AND THE NEW
BLACK LEADERSHIP

AMAZONIA'S FUTURE, AND
OURS: A SPECIAL REPORT

THE AMERICAN PROSPECT

LIBERAL INTELLIGENCE

SEPTEMBER 2007

HAROLD MEYERSON & ROBERT KUTTNER ON
IMPEACHMENT



THE AMERICAN PROSPECT

WWW.PROSPECT.ORG

VOLUME 18 • NUMBER 9 SEPTEMBER 2007

"The best thing that he can do for the country is to get the hell out of the White House."

—BARRY GOLDWATER, THREE DAYS BEFORE RICHARD NIXON'S RESIGNATION AS PRESIDENT, FROM WOODWARD AND BERNSTEIN'S *THE FINAL DAYS*

FEATURES

- 12 **The Trouble With Impeachment** *by Harold Meyerson*
Oh, do George Bush and Dick Cheney deserve to be impeached and convicted! Unfortunately, that doesn't make impeaching them a sound course of action for the future of our nation or our Constitution.
- 13 **First Gonzales, Then Bush** *by Robert Kuttner*
Impeaching the attorney general is a constitutional imperative, and could lay the groundwork for going after the president and vice president.
- 16 **This Year's Charade** *by Garance Franke-Ruta*
In 1999 and 2000, George W. Bush ran for president as a compassionate conservative, even as his party was driving him to the right. This year, Mitt Romney is sounding similar themes while bowing to the same pressures. Why Romney rhetoric is not the same as Romney reality.
- 23 **Young, Black, and Post-Civil Rights** *by Terence Samuel*
Barack Obama, Harold Ford Jr., Deval Patrick, Artur Davis, Cory Booker, Adrian Fenty—a new generation of black political leaders has emerged, seeking largely color-blind solutions to the nation's—and African Americans'—problems. They don't sound like Jesse Jackson, but then, they came of age in a different (though it's not clear *how* different) America.
- 28 **The Myth of the Balanced Court** *by Cass R. Sunstein*
Examine the record of the liberal bloc on the United States Supreme Court and you'll discover that it's not really liberal.
- 30 **Share the Credit** *by Michael Lind*
Increasingly, working-class Americans pay a hefty payroll tax and a less-than-hefty income tax, if they pay income taxes at all. Problem is, income tax payers can take numerous credits; payroll tax payers can't. Herewith a proposal to extend credits to the payroll tax as well—politically unassailable progressive economics on a grand scale.

SPECIAL REPORT

- A1 **Tomorrow's Amazonia**
The coming of the global marketplace to the Amazon Basin means more deforestation, which means more global warming. In this report, edited by Roger D. Stone and funded by The Wallace Genetic Foundation and the Blue Moon Fund, we look at Amazonia's prospects and some new ways (including carbon trading) to save the rainforest—and our planet.

Cover art by John Ritter

COLUMNS

- 3 PROSPECTS: **Windfall or Wipeout?** *by Robert Kuttner*
- 9 THE OUT YEARS: **Every Fight Tells a Story** *by Mark Schmitt*
- 11 COMMENT: **All Trivial! All the Time!** *by Garance Franke-Ruta*
- 44 THE CLOSER: **What Worker Rights Can Do** *by Thomas Geoghegan*

CULTURE & BOOKS

- 35 MEDIA: **Road Pictures for Our Time** *by Alissa Quart*
Director Michael Winterbottom, whose latest movie is *A Mighty Heart*, is a filmmaker par excellence for our borderless, dangerous age of extremes.
- 37 BOOKS: **Ready to Rumble** *by Ronald Brownstein*
Political reporter Matt Bai dissects today's Democratic Party, and urges it to move beyond the Clintonism of the '90s—something that the current crop of presidential candidates (John Edwards excepted) don't seem all that inclined to do.
- 41 BOOKS: **Which Kind of Economics?** *by Jared Bernstein*
Economist Bryan Caplan confuses reality with ideology, to unfortunate effect; economist Richard Freeman calls for open-source unions, which might just point the way to a revival of the labor movement.

DEPARTMENTS

- 4 CORRESPONDENCE
- 6 UP FRONT: In what amounts to a unified field theory of right-wing psychosis, *The Wall Street Journal* says God is returning to Scandinavia and it's all due to supply-side economics. Plus Alberto Gonzales' denials and disavowals, and The Question.

The American Prospect (ISSN 1049-7285) is published monthly (except February and August) by The American Prospect, Inc., 2000 L Street, NW, Suite 717, Washington, DC 20036. Periodicals-class postage paid at Washington, DC, and additional post offices. Copyright © 2007 by The American Prospect, Inc. All rights reserved. No part of this periodical may be reproduced without the consent of The American Prospect, Inc. The American Prospect® is a registered trademark of The American Prospect, Inc. Postmaster: Please send address changes to The American Prospect, P.O. Box 601, Mt. Morris, IL 61054-7531. Printed in the United States.

CAMBRIDGE

The Matador's Cape

America's Reckless Response to Terror
Stephen Holmes

\$30.00: Hb: 978-0-521-87516-5: 378 pp.

"[A] trenchant critical analysis of the thinking inside the Bush administration and among its defenders about the response to 9/11 and the decision to go to war in Iraq. Stephen Holmes shows just how oversimplified, contradictory, and confused their thinking was..."

—Paul Starr, Co-editor of *The American Prospect*



Sharpening Strategic Intelligence

Why the CIA Gets It Wrong and What Needs to Be Done to Get It Right

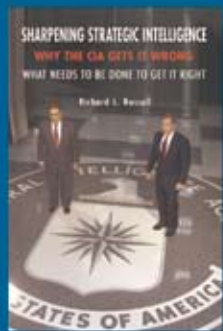
Richard L. Russell

\$75.00: Hb: 978-0-521-87815-9: 228 pp.

\$24.99: Pb: 978-0-521-70237-9

"...both hard-hitting and well-informed. More in sorrow than in anger Richard Russell lays out the flaws in intelligence collection and analysis and points the way to improvements."

—Robert Jervis, Adlai E. Stevenson Professor of Political Science, Columbia University



Outsourcing Sovereignty

Why Privatization of Government Functions Threatens Democracy and What We Can Do about It

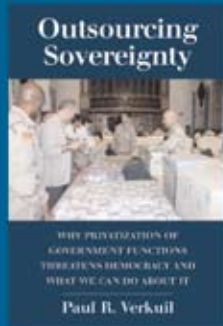
Paul R. Verkuil

\$80.00: Hb: 978-0-521-86704-7: 248 pp.

\$19.99: Pb: 978-0-521-68688-4

"With more than 100,000 private contractors currently operating in Iraq alone, the implications of *Outsourcing Sovereignty*, as Paul Verkuil's timely and perceptive new book warns, should be the concern of every American."

—Ted Koppel, Managing Editor, *Discovery Channel*



Patriots, Politics, and the Oklahoma City Bombing

Stuart A. Wright

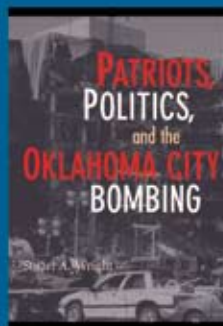
Cambridge Studies in Contentious Politics

\$70.00: Hb: 978-0-521-87264-5: 256 pp.

\$22.99: Pb: 978-0-521-69419-3

"In our post 9/11 world it is too easy to forget that there is a significant, armed, militant, domestic anti-government movement — one that is also willing to use terrorist tactics. Wright's book is a useful and intellectually engaging reminder."

—Rhys H. Williams, University of Cincinnati; Editor, *Cultural Wars in American Politics*



Prices subject to change

www.cambridge.org/us
1-800-872-7423



CAMBRIDGE
UNIVERSITY PRESS

THE AMERICAN PROSPECT

FOUNDING CO-EDITORS Robert Kuttner, Paul Starr

CO-FOUNDER Robert B. Reich

EXECUTIVE EDITOR Harold Meyerson

DEPUTY EDITOR Sarah Blustein

MANAGING EDITOR Emily Parsons

SENIOR EDITORS Garance Franke-Ruta, Tara McKelvey

WEB EDITOR Ann Friedman

STAFF WRITER Ezra Klein

COPY EDITOR Christen Aragoni

WRITING FELLOW Dana Goldstein

EDITORIAL INTERNS Sam Boyd, Mara Revkin, Matthew Sledge, Steven White, Elisabeth Zerofsky

SENIOR CORRESPONDENTS Spencer Ackerman, Ann Crittenden, Barbara T. Dreyfuss, Robert Dreyfuss, Jodi Enda, James Fallows, Gershom Gorenberg, E.J. Graff, Mark Greif, Mark Leon Goldberg, Joshua Kurlantzick, Chris Mooney, Joseph Rosenbloom, Richard Rothstein, Laura Rozen, Terence Samuel, Peter Schrag, Noy Thrupkaew, Sarah Wildman

CONTRIBUTING EDITORS Marcia Angell, Alan Brinkley, Jonathan Cohn, Jeff Faux, Merrill Goozner, Arlie Hochschild, Christopher Jencks, Randall Kennedy, Robert S. McIntyre, Alicia H. Munnell, Karen M. Paget, Alejandro Portes, Jedediah Purdy, Robert D. Putnam, Samantha Sanchez, Deborah A. Stone, Cass R. Sunstein, Michael Tomasky, William Julius Wilson

ART DIRECTOR Mary Parsons

PRESIDENT/PUBLISHER Diane Straus Tucker

CHIEF FINANCIAL OFFICER Joby Gelbspán

DIRECTOR OF EXTERNAL RELATIONS Dorian Friedman

ADVERTISING DIRECTOR Ellen Meltzer

PUBLISHING FELLOWS Andrew Green, Anne Meyer

IT DIRECTOR AND WEB MASTER Jocelyne Yourougou

PUBLISHING INTERNS Jamie Rodgers, Roger Yamada

CIRCULATION CONSULTANTS ProCirc, Jim Motrinec, Director; Susi Chapman, Manager

FOUNDING SPONSORS Kenneth J. Arrow, Daniel Bell, Kenneth B. Clark, Marian Wright Edelman, John Kenneth Galbraith, Sidney Harman, Irving Harris, Albert O. Hirschman, Harry Kahn, Charles Lindblom, Arthur M. Schlesinger, Jr., Fritz Stern, James Tobin

BOARD OF DIRECTORS Ben Taylor, *Chairman*

Maria Echaveste, Danny Goldberg, Jehmu Greene, David Harris, Christopher Jencks, Michael J. Johnston, Robert Kuttner, Richard C. Leone, Nancy Mills, Robert B. Reich, Adele Simmons, Paul Starr, Maureen White

ADVERTISING Ellen Meltzer, (202) 776-0730 x114

SUBSCRIPTION CUSTOMER SERVICE 1-888-MUST-READ (687-8732)

SUBSCRIPTION RATES \$24.95 (U.S.), \$34.95 (Canada) and \$39.95 (foreign)

MEDIA RELATIONS Dorian Friedman, (202) 776-0730 x111

NEWSSTAND DISTRIBUTION Disticor (905) 619-6565 or (631) 587-1160

REPRINTS permissions@prospect.org

Check out our newly expanded and re-designed Web site. Our weblog TAPPED has won the 2007 Hillman Award for Best Blog.

>>>



Windfall or Wipeout?

IF THE ECONOMY GOES INTO A TAILSPIN, WHICH NOW seems to be a growing possibility, how would it influence the 2008 presidential campaign? And if the Democrats should be elected, how would a severe recession affect their ability to govern?

Until now, the economy has been an issue mainly to the extent that most Americans are not sharing in prosperity, and have felt vulnerable to unreliable jobs, wages, pensions, and health care. As Stan Greenberg, Robert Borosage, John Judis, and Ruy Teixeira have demonstrated in these pages [See *TAP*, July/August 2007], an increasing percentage of voters favors much more vigorous government action. The Democratic presidential field has been offering a mélange of policies to marginally improve the economic situation of regular Americans, while not making a fundamental break with the elite bipartisan consensus on deregulated financial markets and low public spending.

But this could be one of those historic moments when excesses in the financial economy spill over and damage the real economy, in turn requiring bolder government action.

Until July, consumer demand, economic growth, and the stock market had all been pumped up by low interest rates and plentiful foreign credit. The economy seemed buoyant despite stagnant wages, America's chronic trade imbalance, and the falling dollar. Private equity and hedge-fund deals provided a high-adrenaline use for the cheap credit, attracting a growing flood of money not just from rich individuals but also from pension funds and university endowments hungry for higher returns. The deployment of these funds pushed the

private equity and hedge-fund operators into ever more dubious deals. By spring, however, the smart money had concluded that the financial economy was looking a lot like a bubble, and invited the rubes to buy in.

Now, the financial engineering has begun unwinding. In late July, a combination of worse-than-expected damage to mortgage markets from sub-prime lending, rising oil prices, a flight from the dollar, and a credit drought for speculative deals sent stock prices plunging. We've now had a decade-long speculative binge that paused only briefly for the dot-com crash of 2000–2001 and the scandals of Enron, WorldCom, et al.

So what to do if an economy based on heavy financial speculation and narrowly distributed prosperity triggers a deep recession?

Alas, little in the Democrats' current program is bold enough to cure a serious downturn triggered by financial excess. In a softening economy, many Democrats still commend budget balance. And the very week that hedge-fund reverses and other speculative tremors sent the stock market plummeting, senior Democrats dependent on hedge-fund donors, led by DSCC chief Chuck Schumer, backed away from taxing hedge-fund gains, much less regulating them.

In the short run, a faltering economy is a political windfall for Democrats: It happened on the Republican watch, as the fruit of Republican ideology—too much deregulation and speculation; fiscal resources squandered on tax cuts for the rich and a needless war instead of invested in productive social outlays; and a version of globalization that served Wall Street rather than Main Street.

But were the Democrats to take office in 2009, presumably with enhanced congressional majorities, a shaky economy would quickly become theirs. Modest increases in children's health outlays, or in the minimum wage, won't fix what's broken. So will Democrats have the nerve to think big, either in the campaign or in office?

We keep learning, the hard way, that efficient capitalism doesn't regulate itself. We shouldn't have to choose between cheap credit with big risks, or tight money in order to discourage speculative excesses. That's why we once regulated financial markets. But will the Wall Street wing of today's Democratic Party allow the Democrats to harness capitalism for the public good? In the last century, it took a full blown depression for the party's progressive wing to become ascendant.

A serious recession would also require serious new social investment. We might begin by rebuilding decayed public infrastructure before more bridges collapse. The premise that we can't "afford" social outlay is nonsense. As Rep. Barney Frank of Massachusetts inimitably put it, "On September 10, 2001, we couldn't afford the Iraq War."

This economy needs new constraints on the self-destructive tendencies of a market financial system, as well as major new social spending, and new guarantees for workers to organize unions. If this all sounds faintly familiar, you might call it a new deal. But if the Democrats win in 2008, only to cling to the old deal in 2009, Happy Days will not describe Election Day 2010. **TAP**

— ROBERT KUTTNER

*This could be
one of those
moments when
speculative
excess does
real damage.*



Peretz: Jewish Insecurity

IN “MY MARTY PERETZ Problem—And Ours” [July/August 2007], Alterman presents us with a paradox. In responding to polls, large numbers of American Jews are liberal internationalists, favor negotiations with the Palestinians to end the Israeli occupation, and side with the Israelis critical of a primarily ethnic conception of their state. Still, in their angry and obsessive commitment to the Israel of Zionist nationalism, Peretz and the leaders of American Israel Public Affairs Committee, the Anti-Defamation League, the American Jewish Committee, and the Conference of Presidents of Major American Jewish Organizations, are on to something. Why would so many in the Jewish community allow themselves to be represented by those with whom they ostensibly disagree, if they did not share their frightened ethnocentrism? Look at *The New Republic*, where Leon Wieseltier (rightly praised by Alterman as a serious editor) puts a cultivated face on Peretz’ irreducible vulgarities.

NORMAN BIRNBAUM
Washington, D.C.

Peretz: Who Was Right, When?

IN HIS RATHER NASTY AND despicable screed attacking *The New Republic*’s Editor in Chief Marty Peretz, Alterman includes me on the list of “conservatives” who have written for *TNR* because they are closely associated with “the hawkish Peretzian position on Israel.”

In the past few years, I have written a few columns on Israel, including one arguing that what happened at Jenin was not a massacre. Whether they are hawkish or not, my columns have appeared long after the bulk of what I wrote for *TNR* was published. I started writing for the magazine in the late 1970s, when I was a Social Democrat. I certainly was not then a conservative.

Marty Peretz did not ask my political views or my position on Israel when he asked me to write for the magazine. It is ironic that somewhere in *TNR*’s files, you will find a letter to the editor I wrote. It was a vigorous attack on the negative review the magazine gave of a book by Noam Chomsky, on Israel! Gilbert Harrison had just left the magazine and Peretz had assumed the editorship. Though he obviously saw my letter and chose not to print it, it did not stop him from asking me to contribute.

Over the years I have written for *TNR* on communism and anticommunism, Soviet espionage, and in the 1980s, on Nicaragua and the Central American wars. The latter articles were commissioned and edited by Hendrik Hertzberg. Peretz had

nothing to do with them.

It is also ironic what prompted Peretz to ask me to write for *TNR*. I had just published a review essay of Vivian Gornick’s book on the romance of American communism in, of all places, *The Nation*. Peretz phoned me after reading that article and said he found it very interesting and would like me to write for *TNR*. So much for Alterman’s reasons why I appeared often in *TNR*’s pages.

RONALD RADOSH
Adjunct Fellow at
the Hudson Institute

Eric Alterman replies:
Thanks to Norman Birnbaum for his thoughtful letter. As to

Ronald Radosh’s complaint, “nasty and despicable” as I may be, I did not say and do not believe that the Palestinian question is the only justification for an invitation to write for *TNR* for Marty Peretz. Indeed, I have received such an invitation myself. But it is the reason most conservatives are invited. Radosh is a hardliner on the Palestinian question. And I defy him to name a single individual whose name I listed in that context who is not.

Letters to the editor should be sent to letters@prospect.org or mailed to The Editors, The American Prospect, 2000 L St., NW, Suite 717, Washington, D.C. 20036.

FROM THE EXECUTIVE EDITOR

TO IMPEACH OR NOT TO IMPEACH: THAT IS THE question that Bob Kuttner and I bat around in this issue. Bob argues that we can start with Alberto Gonzales and work our way up the executive food chain to George W. Bush and Dick Cheney. I argue that Bush and Cheney’s guilt is flagrant, but that impeaching them, alas, is a seriously bad idea, both politically and constitutionally.

Elsewhere in the issue, Garance Franke-Ruta reports on this year’s compassionate conservative, Mitt Romney, and concludes that the rightward pressure on him far outweighs the centrist bromides he spouts on the stump. Terry Samuel sorts out what is new about the Obama generation of black political leaders—and what is new about the racial landscape that enables them to chart a different course from their predecessors’. Ron Brownstein looks at the still largely latent conflicts between the Democrats’ energized activists and the fundamentally (Bill) Clintonian vision of the party’s presidential candidates. Cass Sunstein notes that the Supreme Court doesn’t really have a liberal wing. And Michael Lind comes up with a big new idea: extending income tax credits to payroll taxes, which would put serious money into ordinary Americans’ pockets. Politically and economically, Lind’s logic strikes me as unimpeachable.

We also feature in this issue a special report on the Amazon Basin and its rainforest, whose destruction is a leading cause of global warming and whose future, accordingly, is linked inextricably to ours.

— HAROLD MEYERSON

Up Front



BULLISH ON GOD

PUT THE HEADLINE TOGETHER WITH THE SUBHEAD, and you have nothing less than the holy grail of modern conservatism. “In Europe, God Is (Not) Dead,” proclaimed a headline on the front page of a soft-news Saturday edition of *The Wall Street Journal*. Beneath it, the subhead added a crucial new component: “Christian groups are growing, faith is more public. Is supply-side economics the explanation?”

And there it was: the long-sought-after unified field theory of conservative thought. Jesus Christ and Arthur Laffer, together at last. True faith and Keynesianism, forever rent asunder. The article itself went on to document the rise of small, feisty start-up churches in secular Sweden—in particular, one named Passion whose founder extolled its rock-in’ services by calling Jesus the “king of the party.” As with supply-side economics generally, though, the numbers don’t quite justify the story (just 31,000 of the 9 million Swedes belong to evangelical churches—one-third of 1 percent) or make the case that the supply of new churches generates new churchgoers. (After all, if the proliferation of sects guaranteed a proliferation of sectarians, the 20th century would have been overrun by Trotskyists.)

Of course, in the new and improved *Journal*, the subhead would likely have ended, “Is supply-side economics the explanation? Watch Fox News and decide.” The true church of cross-promotion hath arrived.

ACCESS ÜBER ALLES

A good lawyer, the saying goes, can argue both sides of a case, and for pillars of the legal establishment, the value of coming out on the winning side can eclipse such trifles as, say, their fundamental convictions. Bloomberg News reported this month that Kirkland and Ellis, the law firm White-water prosecutor Ken Starr calls home, has given more money to Hillary Clinton than to all the Republican candidates combined. And Jones Day, the law firm that represents the Republican National Committee and a firm that traditionally favors conservative candidates, has given three-and-a-half times as much to the Democrats as to the Republicans.

HOW RUDE!

As a service to those of you who’ve not been following the furious back-and-forth among supporters of the minor Republican presidential candidates, we offer this update: the Rev. Tim Rude, an evangelical pastor and supporter of Gov. Mike Huckabee, attacked Sen. Sam Brownback for converting to Catholicism. In a letter that began by admitting that “nation-wide polls show

Brownback at 1 percent and Huckabee at 3 percent amongst Republican candidates,” Rev. Rude noted that “as a recovering Catholic myself, that is all I need to know about his discernment when compared to the Governor’s.” Rev. Rude later apologized and allowed that his statement “could be taken as anti-Catholic.”

WHITEWASHING THE ELECTORATE

Writing in the National Review Online recently, David Frum found some good news in a survey that showed young people favoring Democrats over Republicans by 19 points. It turns out that if you just ignore all the non-white people, Republicans are up by two points in the same age group! Immigrants, you see, “lack deep attachment to the American nation” and are “thus immune to the most potent of Republican appeals.” According to Frum, Bush’s greatest failing is allowing these America-hating liberal-lovers into the country and thereby dooming the GOP. No word on whether African Americans, who are much more likely than Latinos to vote Democratic, “lack deep attachment” to America, though it seems likely they are “immune to



THE QUESTION: WHOM WOULD YOU LIKE TO SEE IMPEACHED?

"Jay Bybee, who concealed his role in approving the torture memos at his Senate confirmation hearing as a federal judge."

—**Bruce Ackerman**, author,
Before the Next Attack:
Preserving Civil Liberties
in an Age of Terrorism



"Chief Justice Roberts, for misleading the Senate Judiciary Committee about his respect for precedents."

—**Tom Schaller**, author,
Whistling Past Dixie: How
Democrats Can Win
Without the South

"I don't think anyone should now be impeached! Impeachment is a last resort, we should use the ordinary political remedies, not the heavy artillery."

—**Cass Sunstein**, author,
The Second Bill of Rights: FDR's
Unfinished Revolution

the most potent of Republican appeals" demonstrated in Frum's column—barely concealed racism.

O'HANLON V. O'HANLON

Democratic Iraq war proponents Ken Pollack and Michael O'Hanlon caused quite a stir with a late July *New York Times* op-ed claiming that the surge was showing signs of success and that Iraq was, as the title of the op-ed put it, "A War We Might Just Win." A week before the op-ed was published, O'Hanlon's own Iraq Index project at Brookings had reported that "violence nationwide has failed to improve measurably over the past two-plus months." And just one day after the *Times* op-ed came out, O'Hanlon testified before the House Armed Services Committee and gave a significantly more pessimistic assessment, saying that while "trends are improving on the military, tactical level" he was "dubious" of the surge strategy overall. Elaborating one day later in an interview with the *Times*, O'Hanlon conceded that, "If the political stalemate goes on, even if the military progress continued, I don't see how I could write another op-ed saying the same thing." So why'd he write this one?

PARODY by T. A. Frank

"I am deeply concerned with suggestions that my testimony was misleading, and am determined to address any such impression." —Attorney General Alberto Gonzales, in a letter to Senate Judiciary Chairman Patrick Leahy, Aug. 1, 2007

Aug. 15, 2007

Dear Senator Leahy,

I am saddened beyond measure that you found my testimony regarding some recent "damage" to your automobile to be misleading, and am determined to clear up any such impression. Let me first of all clarify that when you asked whether or not I had any role in what happened to your car, my statement on the subject referred to the parts of the car commonly considered to be inherent to the term "car" and not to the parts that are commonly referred to as "accessories," since the latter are frequently optional and interchangeable. Examples of accessories include bumper stickers, trailer hitches, luggage racks, receivers for satellite radio, and ornamental hubcaps, all of which you correctly noted had been somewhat brusquely detached. Also, tires, while they aren't really "optional," are, in my understanding, "interchangeable," as demonstrated by the fact that you elected to change all four of yours, subsequent to your discovery of the holes. For this reason, I see no reason to retract my former testimony that I had no involvement in what happened to your "car," as such.

Secondly, to revisit a point that you seem to emphasize, I reiterate that legal experts in our department have concluded that a brake cable cannot technically be classified as an "inherent car part." I regret the emotions you say you felt upon discovering the severance of this important bond between pedal and wheel, and am relieved that no harm came to you in the collision. Again, I stand by my testimony that I do not recall authorizing any of the alterations made to your car's accessories. The surveillance videotape you subsequently produced showing me performing this supplementary work does not change my position, since a) I proceeded without my own authorization and b) Such authorization was unnecessary since the law refers only to an "automobile" and not to such "accessories" as brake cables.

Please understand that I remain bound not to reveal classified information and therefore cannot discuss in this public letter every instance of what you have called an "unexplained streak of life-threatening assaults." If you have further questions, I could arrange to provide you with additional answers in an appropriate setting (a tall cornfield, for instance, or a patch of woodlands on Staten Island) where no one could overhear sensitive information.

Sincerely,
Alberto Gonzales

Every Fight Tells a Story

BY MARK SCHMITT

WHEN CONGRESS RETURNS FROM ITS AUGUST recess, it will take up the battle over a modest expansion of the program that provides health insurance for children. The Senate Finance Committee will begin its fight over changing the tax treatment of hedge-fund

and private-equity firm profits. In both cases, Democrats are on the side of right: expanding health insurance for kids and closing tax loopholes for tycoons.

But more striking is that the Democrats are trying to keep the fights small and manageable, while Republicans are trying to make them bigger.

In the case of the children's health program, SCHIP, Democrats argue that the expansion is a modest one, largely intended to keep pace with population growth and health-care inflation. Republicans call it "socialized medicine." But then, they call anything "socialized medicine." John Kerry's minimalist health program from 2004 was denounced in Bush campaign advertisements as putting "Washington bureaucrats ... not your doctor" in charge of health care. So, one might ask, if you're going to have to fight over "socialized medicine" anyway, why not join the fight for an ambitious universal health-care program with a large role for public programs?

Similarly, the tax loophole that hedge funds and private equity firms are taking advantage of is a consequence of a much larger inequity: the special tax rates for capital-gains income. Fund managers' fees are taxed at the capital-gains rate of 15 percent—but why do we allow a lower rate on capital gains anyway? The old argument was that it provided an incentive for investment, but there's no shortage of capital in our economy today. Besides, the benefit goes

to people who take income out of investments rather than add to it. In consequence, people who work for a living pay a much higher tax rate than those who simply collect income from their investments. Oregon Sen. Ron Wyden has argued that all income should be treated the same way. But most liberals think that comprehensive tax reform is too big a fight to take on. Closing the hedge-fund loophole is a small step; the big fight can come later.

As the political scientist E.E. Schattschneider wrote in the 1950s, the central question of politics is the scope of conflict. When a fight breaks out, do you try to expand the scope of the conflict or narrow it? There's no one answer: Sometimes the best approach is to keep a fight small and contained; sometimes it's better to expand it to bring in new allies, even at the risk of creating new enemies. Democrats, chastened by years out of power, often hope that by causing the least sacrifice to the smallest number, they will minimize opposition. Hence the narrowing of the tax fight to target just a few hedge-fund managers, or the gradual limiting of the definition of the word "rich" when Democrats say they'll end the Bush tax cuts for the rich: First,

"rich" began at \$200,000 in annual income, then \$400,000, and recently Nancy Pelosi upped it to those earning more than \$500,000.

But the result of such narrowed fights is that a small number of people, usually armed with lobbyists, are deeply aggrieved, while a larger number see little reward. Closing the hedge-fund loophole alone will not raise enough money to pay for any tangible benefit. There's no constituency that will materially gain, while a significant group, concentrated in a few states with influential Democratic senators, will be hurt. Whereas broadening the fight to take on the entire exemption for capital-gains income would potentially hurt a much broader and more widely distributed class of people (the top 10 percent of all households get 90 percent of the capital-gains break) but could raise \$100 billion a year in revenue over the next decade to fund, say, universal health care. A wider fight, in this case, could be easier to win than a narrower one.

Political strategists will always make the argument for incrementalism: This step today will make it easier to achieve the bigger change tomorrow. But public

policy is littered with incremental changes that never went beyond the first step and actually foreclosed the pressure for further changes.

That's because every fight tells a story: Focusing on hedge-fund managers suggests that only a few very wealthy people are ripping off the rest of us, and neglects

the more basic problem of the radical inequity of our tax code. And having told one story, it can be harder to turn around and tell another one and reopen the conflict on different terms.

Democrats need to remember this lesson, which the Republicans long mastered: Sometimes, it can be just as easy to win a big fight as it can be to win a little one. **TAP**

*Democrats,
chastened by years
out of power, tend
to pick small fights;
Republicans go in
for big ones.*

All Trivial! All the Time!

BY GARANCE FRANKE-RUTA

“AND THEN, CLEAVAGE!” THE CNN NEWS ANCHOR couldn’t have sounded more excited as a white arrow blinked on the screen, pointing down the New York senator’s chest toward the point where her V-necked shirt gave way to slightly more skin—we’re talking millimeters—

than Hillary Clinton usually reveals.

Cleavagegate began when a colleague of *Washington Post* fashion writer Robin Givhan called her over to check it out on C-SPAN2. Struck by the flash, Givhan penned a Style section piece parsing the meanings of the remarkable fact that women—yes, even women who are politicians—have breasts.

But if showing cleavage “in a setting that does not involve cocktails and hors d’oeuvres” is “a provocation,” as Givhan proclaimed, writing about it was even more of one. Outraged readers inundated the *Post* with letters, the Clinton campaign sent out a fracas-based fundraising appeal, and the story rapidly morphed into the sort of political to-do for which campaign 2008 is increasingly becoming known: silly, visual, and entirely overdetermined. Within a week, MSNBC was airing six news segments a day devoted to a sliver of skin.

From John Edwards’ \$400 haircuts to Barack Obama’s swimming trunks, the line between political journalism and the gossip pages appears to have broken down. Not all of this is the media’s fault: Part of it is a result of our new cultural politics. Whereas politicians used to appeal to voters on a mix of interests and issues, Republican political strategists today believe voters cleave to presidential candidates based foremost on cultural affiliation. The GOP’s focus on John Kerry’s windsurfing and spandex bicycle shorts during the last presidential cycle

was a result of this theory. But part of this silliness, too, is a result of several under-acknowledged transformations in the structure of our media that are producing something new: a massive and wildly disproportionate focus on the trivial.

In the 1960s, *The Washington Post* would not have sent a senior political reporter to do a detailed profile of a presidential candidate’s stylist, as John Solomon recently did on Edwards’ longtime hairdresser, because coverage of hair was sequestered in the women’s pages. (Of course, the candidate might not have had a stylist to begin with.) In 1969, executive editor Benjamin Bradlee replaced that dated section with the more serious Style section, devoted to culture and lifestyle issues. *Post* publisher Katherine Graham denounced some of the early stories as “bitchy” and “snide,” but the new section was a hit, and the movement to gender-neutral cultural pages was national. *Time* magazine, in 1972, described it as the “Flight from Fluff,” and legendary *New York Times* editor Charlotte Curtis transformed her Family/Style section from a society page into a sociological one documenting the massive social transformations of the day, from women’s lib to the new gay rights movement and sexual revolution. The four Fs—“family,

food, fashions, and furnishings”—would never again be the province solely of women writers, nor would men be told such matters were beneath them.

But the “Flight From Fluff” came to an end as the new social movements petered out in the 1980s, and the era of social upheaval gave way to the new materialism. The gender-neutral sections became workaday homes for pure features, traditional four-F coverage, arts and entertainment stories, and the occasional irreverent New Journalism-style political dispatch. Today the explosion of news blogs at papers, which reporters fill with colorful stories and minutia that doesn’t rise to the level of news, have expanded the Style section’s style coverage of politics even further, so that it now seems totally normal to read a *New York Times* blog item on Clinton’s Senate press secretary’s efforts to win an online beauty contest. Add to that the rise of the new celebrity magazines, one of the few growth categories among print periodicals, along with celebrity candidates such as Fred Thompson and Barack Obama; a massive number of gossip and partisan political blogs (which love to dig up and publish personal information on political and

media figures); and cable stations with ages of airtime to fill, and you have the perfect conditions for a single casual newsroom observation of Clinton’s shirt to ricochet across the media landscape like a thunderclap. The Style section ran both Solomon’s and Givhan’s pieces.

It was not for this that the women’s pages were shut down. The segregated

sections needed to go, but the idea was to elevate both the work that women writers did and the way women and society were covered. And sometimes Style-style political writing still does. But all too often, it does the opposite: It helps bury weighty matters of state beneath an avalanche of flamboyantly entertaining—and eye-ball grabbing—irrelevancies. **TAP**

*How Silly has
supplanted
Serious in the
coverage of
presidential
campaigns*

The Trouble With Impeachment

Bush and Cheney merit—overwhelmingly, screamingly—impeachment and conviction. But that doesn't make it a good idea.

BY HAROLD MEYERSON

YOU MAY RECALL THE SCENE IN CLINT EASTWOOD'S 1992 Western *Unforgiven* where Eastwood's character levels his gun at Gene Hackman's malevolent sheriff, whom he is about to dispatch to hell's lower depths. "I don't deserve this," Hackman protests. "Deserve's got nothin' to do with it," Eastwood replies, and pulls the trigger.

And that—a touch overstated, I'll admit—is pretty much my position on impeachment. Does George W. Bush deserve to be impeached? Absolutely. Problem is, that doesn't resolve the question of whether trying to impeach Bush (and, necessarily, Dick Cheney, too) is a good idea. And when I consider the moral imperatives of this moment—ending the involvement of U.S. forces in the Iraq War, providing the American people with secure and universal health care, even ratcheting back the unchecked executive power that Bush and his vice president have substituted for our system of checks and balances—I conclude, sadly, that an attempt to impeach Bush will make these goals even harder to achieve. "Deserve" does have something to do with it, but not enough to carry the day. At least, not this day.

The case of Alberto Gonzales presents us with a closer call. House Speaker Nancy Pelosi may protest that she won't consider the impeachment option, but with each passing week, Gonzales seems increasingly determined to challenge her resolve. Telling lie upon lie to protect his president and himself, Gonzales seems bent on making himself impeachment's poster child.

At the rate Gonzales is going, Congress may find impeachment thrust upon it. Both legally and politically, the case against Gonzales is stronger than the case against Bush and Cheney. On the legal front, Gonzales testifies before Congress, as Bush and Cheney do not, and thus is subject to charges of perjury, as they are not. Politically, ousting Gonzales would not turn over the executive branch to the opposition party, as ousting Bush and Cheney would.

Nonetheless, the case against Bush and Cheney is a strong one, and should not be lightly dismissed. In fighting their endless and deliberately ill-defined war on terrorism, they have violated the legal guarantees of habeas corpus; they have spied on Americans without the oversight of courts or Congress; they have authorized the torture of prisoners, in violation of the Geneva Conventions, and the kidnapping of suspects in

a number of nations. Their case for going to war in Iraq was fundamentally based on misrepresentations, though making a legal case that they knowingly lied to get us into the war would be difficult. Most serious of all is the damage they've done to the Constitution, most particularly to its painstaking system of checks and balances. They have governed with the premise that in a time of war such as this, the executive can act without the oversight, or even the knowledge, of Congress and the courts. And it is Bush and Cheney themselves who get to define this as a time of war.

This kind of assault on the Constitution is precisely what the founding fathers were guarding against when they crafted its language on impeachment. In *The Federalist Papers*, Hamilton and Madison made clear that impeachment was a remedy not so much for indictable crimes as for those offenses that subverted the system of government itself. That, fundamentally, is what Bush and Cheney are guilty of. It is why they deserve to be impeached and convicted.

WOULD THAT "DESERVE" WERE ALL! BUT THERE ARE THREE CONSIDERATIONS THAT OUTWEIGH THE VERY REAL CASE FOR THE MERITS OF IMPEACHMENT.

First, there's no way that there will be sufficient votes to remove Bush and Cheney from office. Conviction requires a two-thirds vote of the Senate. In other words, even if Joe Lieberman were to join the Senate's 50 Democrats in finding Bush and Cheney guilty, an additional 16 Republican senators would also have to join them.

It would be easier to find 16 Republican votes for collective farms. For one thing, Republicans already know what all of us know. They know about the wiretapping, the renditions, the torture; they know about the vice president's pathological secrecy that has done so much to subvert the constitutional balance of powers. Some (including most of their presidential candidates) are on record supporting these policies; none have been moved to suggest these policies may be grounds for impeachment.

Nor are the political circumstances of this impeachment remotely analogous to those that produced the bipartisan consensus to remove Richard Nixon from the White House. Republicans finally supported impeachment then because they knew that Nixon would be succeeded by one of their

JOHN RITTER

own—Republican Gerald Ford. But removing Bush and Cheney would make Pelosi (literally, the San Francisco Democrat) president—a change that would result in a massive shift in every policy that Republicans care about. Our army in Iraq would come home. Health insurance for children would become law. Gays and lesbians—well, God knows what would happen with gays and lesbians. The Justice Department would be handed over to the Democrats; *every* department would be handed over to the Democrats. The power to appoint a Supreme Court justice, should one of the current justices abruptly keel over, would belong to Pelosi.

In short, there is no way imaginable that Republicans would vote to remove Cheney and Bush. Not only would their removal hand the government over to the Democrats, it would also undercut the presidential campaign of their 2008 nominee. How could he run against the very policies that Republican senators effectively allowed by making Pelosi president?

(Also, consider for a moment Pelosi's dilemma: If she allows impeachment proceedings against Bush and Cheney to get underway, she'll be attacked for seeking to become an unelected president. If Bush and Cheney are convicted, she *will* become an unelected president, which is why this attack will have some potency.)



Which brings us to the second reason why impeachment is a bad idea: Politically, it will most likely boomerang. Some of impeachment's proponents suggest that even if there's no plausible way Bush and Cheney could be removed, the educational value of the process—reminding Americans of their fundamental constitutional rights, of the genius of our system, as indeed happened during the Nixon impeachment hearings—would be beneficial in itself. And here, too, impeachment's proponents would be right, if this education were all that came out of the process. Unfortunately, it won't be.

The Republicans' current strategy for retaking Congress and discrediting the Democrats is to obstruct all the Democrats' legislative initiatives and then accuse them of

being a Do-Nothing Congress. The failure of Congress to enact legislation—the Democrats' campaign promises to the contrary notwithstanding—has surely been a factor in Congress' plummeting approval rating. Still, the Democrats maintain a distinct advantage over the Republicans in all the polling, in part because a good chunk of the public knows who's to blame for Congress' inaction.

Should Democrats begin impeachment hearings, Republicans will allege that Democrats have essentially stopped everything on Capitol Hill to pursue an impeach-

FIRST GONZALES, THEN BUSH

BY ROBERT KUTTNER

IN AMERICAN POLITICS, BRAVE ACTIONS are politically unthinkable until someone thinks to act on them. Then public opinion can turn, sometimes with surprising speed.

For several months, I have been arguing with friends and colleagues that impeachment of President Bush and Vice President Cheney should be a serious political option. Just two of their crimes and misdemeanors—willfully lying America into war and firing federal prosecutors for purely political reasons, then further obstructing justice by stonewalling about the dynamics of the firings—are more than adequate constitutionally to impeach. There are several other offenses, ranging from defying the

lawful mandates of Congress and the courts, to gross invasions of civil liberty, to denying democracy itself by systematically undermining the right to vote. And, in the seventh year of this eerie administration, in which the president is a puppet of the vice president (rendering the usual mechanisms of accountability opaque), the curtain has only just begun to be pulled back on Cheney.

The conversation always goes the same way. Yes, say the prudent ones, to some extent the constitutional assaults are even worse than Richard Nixon's. But we have a cure for this administration—the 2008 election. And an impeachment proceeding this late in Bush's second term would be seen as playing politics. The people don't want impeachment, they want Congress to do the public's business.

These are fair questions, to which I will return in a moment. But for now, consider the constitutional and political logic

of an intermediate step, the impeachment of Attorney General Alberto Gonzales. Given the several counts against him, including his lying to Congress about domestic spying, lies that have now been contradicted by sworn FBI testimony, and his utter stonewalling about the firing of the U.S. attorneys, no reasonable observer could dismiss an impeachment proceeding as merely playing politics. There is no other way for justice to be done. The case for impeaching the attorney general was ripe months ago. I urged that course this past March in a *Boston Globe* column also published on the *Prospect* website. [See "You're Fired," March 2007]

Constitutionally, the framers designed impeachment precisely so that Congress would be the final check on out-of-control executive branch officials who broke laws. Politically, many prominent Republicans

(continued next page)

ment process that will not result in conviction, solely for partisan political gain. A vast portion of the mainstream media will echo the Republicans' attacks, portraying the process as a partisan dogfight, and focusing so much of their coverage on impeachment that anything else the Democrats might accomplish would be relegated to a box on page 23.

"Impeachment," says Guy Molyneux, a veteran Democratic pollster, "could be the one thing that makes this Republican attack seem credible."

More than that, it would make far more difficult the task of collecting enough Republican votes to change policy on the war. It surely would unite and energize a Republican base that is now both confused and enervated. Just as surely, absent a smoking howitzer, impeachment would divide Democrats on a fundamental matter of strategy, at the very moment when Democrats are more unified than they've been in decades. Impeachment would even eclipse Iraq as the main issue before the nation.

In short, impeachment certainly looks more likely to help Republicans than Democrats at the polls in 2008. And to those who argue that the process would make it harder for any future presidents, including Hillary Clinton, Barack Obama, or John Edwards, to abuse their power, I'd say that American civil liberties and our balance of power would be a good deal safer under any of those leaders—even if there is no educational impeachment process creating a new awareness of the Constitution—than under Rudy Giuliani, whose record suggests he'd be every bit as authoritarian as Cheney. One does not have to be rosy-eyed about the Democratic presidential candidates

to think that the Constitution will be in far greater peril if the Republican front-runner ends up in the White House than if any of them do. Ironically, by bolstering the Republicans, the political consequences of trying to protect the Constitution through the impeachment process may well end up endan-

It would be easier to find 16 Republican Senate votes for collective farms than it would for impeachment.

gering the Constitution far more than if impeachment had not been pursued.

The third reason for shunning the impeachment option is not, unlike the other two, fundamentally political. It is the problem with establishing as a precedent the removal of a president and vice president of one party and conferring the presidency on the House speaker from another party, who's been sent to Congress by an electorate that constitutes just one-435th of the nation. Legal though it may be, such a process would raise huge doubts about the political legitimacy of the new president. And it's not hard to imagine this weapon, once established, being wielded by an intemperate Congress against a president and vice president with nowhere near the culpability of Bush and Cheney.

So, then: Do Bush and Cheney deserve to be impeached and convicted? Of course. Will they dwell forever in historians' hell? Count on it. Chomped on in the company of Brutus and Judas? Just possibly. But is impeachment a good idea? No! **TAP**

have already called for Gonzales to resign. An impeachment proceeding would force the issue, and put other Republicans in a double bind of either defending the indefensible or adding to the pressure for his resignation. Either way, the process weakens the Bush administration and strengthens its opposition.

Unlike in the matter of whether to impeach Bush, we have begun to see some congressional leadership on the Gonzales affair, most notably by Rep. Jay Inslee of Washington state, a former prosecutor. The other great benefit of impeaching Gonzales is that it would demonstrate that impeachment is not some screwball idea but a solemnly constitutional process intended for use when all else fails. And an impeachment proceeding against the attorney general would necessarily smoke out more of the role of the White House in the firings of prosecutors. Impeachment of Bush and

Cheney would itself become more politically thinkable.

But what about those purely tactical arguments against impeachment of the president? Isn't it just too close to the election? Let's turn that contention around on those who make it. The man is going to be our chief executive for another 17 months. Bush has claimed that even if Congress votes to hold members of the executive branch in contempt, he would direct the Department of Justice not to prosecute them. He has claimed that his powers as commander in chief, a purely military constitutional function not intended to turn the president into a monarch, allow him to selectively interpret laws. What else would Bush have to do before it becomes legitimate to begin an impeachment proceeding? Declare a state of emergency and govern by decree? His actions are not so far off this description.

And what of the claim that the voters

would prefer to see Congress go about the public business? Look at how Bush has hamstrung the current Congress and you'll see that little legislation of any consequence is likely to pass until 2009. There is no higher public business than holding members of the executive accountable for lawbreaking.

If the Democratic leadership in Congress works up the nerve to impeach Gonzales, the process would make it less unthinkable to imagine impeaching Bush—and could well elicit more evidence of impeachable conduct. Even if Bush retained office, public attention would be focused on his misdeeds and those of Cheney. Republicans would be forced either to abandon Bush as they ultimately abandoned Nixon, or to defend odious actions. Either way, they would pay dearly in 2008. At worst, Bush would toss Gonzales overboard before the waters rise around his own neck. **TAP**

This Year's Charade

Mitt Romney may be campaigning as the compassionate conservative, but, as George W. Bush has shown, winning the right wing's backing guarantees a right-wing president.

BY GARANCE FRANKE-RUTA

MITT ROMNEY WANTS TO MAKE SOMETHING very clear.

We are inside the honey-colored, wooden A-frame of the Great Hall of Simpson's College in Indianola, Iowa, on a humid July evening, where an aged audience has trickled in for an early-bird Saturday dinner. The food, courtesy of the Republican presidential candidate, is as much of a throw back to a less-cosmopolitan time as the room, which was built in 1955. There is beef with gelatinous gravy, oily corn niblets, reconstituted potatoes, iceberg lettuce salad, buns with margarine, and iced tea. Drawn from the 14,000-person community south of Des Moines, the audience seems happy for the chance to socialize before the "Ask Mitt Anything" main show, one of the candidate's traveling question-and-answer sessions with possible Republican caucus-goers.

As the session gets underway, a questioner asks Romney, the former governor of Massachusetts, about his reputation for flip-flopping on abortion rights, which he supported up until 2002. Romney is asked this question with some regularity, and quickly dispatches it by talking about other Republican greats who have changed their minds. But this time there's something else he wants to say, which no one asked him about just now. "If somebody wants somebody who is anti-gay, I'm not your guy," he tells the audience. "I'm not anti-gay. I won't discriminate."

The remark is disarmingly blunt for a candidate positioning himself as a social conservative and defender of strong families. Of course it is common for a presidential candidate to tell audiences what they want to hear. That is called pandering, and it is what Romney would do later in July, when he went to the Republican National Hispanic Assembly's annual convention, praised Hispanic values as "quintessentially American," and encouraged his party to "communicate how much we value immigration." But this evening, the audience for his anti-bigotry statement is one of white-haired Midwestern social conservatives.

I hear this kind of thing again and again as I follow Romney

at each of five campaign stops in Iowa over two days. As he heads west across the verdant Iowa plains toward the Nebraska border, he offers what is essentially a recitation of traditional Democratic goals and calls for tolerance unusual from a Republican. "If I'm elected president, I'm going to work hard to make sure every American has health insurance," Romney told the audience in Carroll. In Council Bluffs he argued for government-subsidized private policies: "It's cheaper to buy people insurance than to give out free care at hospitals." He also calmly addressed border security fears without pandering to the right's worst instincts. "You can't protect a nation by putting up barriers and fences and magnetometers," he told voters back in Carroll. "Intelligence is key." He cited *The End of Poverty: Economic Possibilities for Our Time*, a "wonderful book" by Columbia University Earth Institute director and former United Nations adviser Jeffrey Sachs, as providing the best template for how to address international poverty. He bragged about Massachusetts' offer of free four-year tuition to any public college for high school students who graduate in the top 25 percent of their class, an idea met with murmurs of wonder in Jefferson. When presented with occasions to question Democrats' patriotism, he took the high road. "I've worked with some Democrats," he said in Indianola. "I've found they love America, too." He strongly advocated for more robust international diplomacy when pressed about how to restore America's international reputation: "America is strong alone, but we're stronger when we have friends standing on our side."

After seven disastrous years of George W. Bush, whose approval rating had sunk to 25 percent by mid-July, Romney is trying to help a Republican base that feels abused, insulted, and embarrassed to once again hold up its head without shame. Among other things, Republicans are sick of hearing their president run down, and tired of being called bigots because of their opposition to legalizing gay marriage or to giving illegal immigrants a path to citizenship. The anger and disgust the GOP base feels toward the state of the nation was palpable

JOHN RITTER

Every voter's dream...



during our trip across the state. “If something isn’t done, the people are going to revolt against both parties,” fumed Tom Collins, 56, a funeral director from Winterset, after the Indianapolis event. “I’ve been a conservative and a Republican, but I’m getting sick of my party not being able to get anything done. It’s more a battle to defeat the other party.”

Across Iowa, men demanded to know what Romney would do to restore America’s standing in the world, seemingly taking America’s loss of status as a personal affront. Chuck Offenburger, 60, a former newspaper columnist who backed Lamar Alexander in 1999 and lives on “an acreage” near Cooper, asked Romney what he would do “to restore the place of the United States in the world to one that’s admired.” Romney’s reply focused on his background in international business, his travels to 40 countries, the need to “work with other nations to support moderate Islamic people to reject the extremists,” and his efforts at keeping the Olympics safe. Offenburger said he was relieved by what might have sounded like a vague recitation of resumé points and platitudes because of what Romney did not emphasize. “The U.S. is thought of as a bully nation with a big military,” Offenburger said. “I was afraid I was going to hear a much more militaristic answer than I did, which pleased me.”

Romney, though, can’t run *only* as the anti-Bush. The president retains much of his popularity with the GOP base: The same American Research Group poll that in July found just 1 percent of Democrats still pleased with the president showed him with a 68 percent approval rating from Republicans. So at the same time that Romney soothes audiences with reassurances that he—and therefore they—is no bigot, he praises the president and supports policies very similar to Bush’s. “He won my vote when he talked about religion,” Tom Collins’ daughter Candice, 24, told me. (Romney turned a question about his Mormon faith into talk about his picture-perfect family, saying, “If you want to know my values, you can meet my wife and my son,” referencing Ann and Josh Romney, who were making campaign appearances with him. He also repeatedly locates America’s greatness in its culture and values, rather than in its abundant natural resources or climate.) For Candice Collins’ mother Terri, 51, a legal secretary, the best moment came “when [Romney] said Bush has kept our country safe since 9-11.” At the same time Romney draws on his decades in Massachusetts to suggest he is a different kind of Republican from the president, Romney also promises the base the same traditional mix of anti-abortion, anti-gay marriage, pro-torture, free-market policy-making that still binds them to the president, even as the rest of the nation has turned against him.

In short, Romney is charting a necessary course correction from the Bush years that even the Republican base wants—while still giving that base the hard-right policies they have been reluctant, in the face of overwhelming evidence of their failure, to abandon. Liberals and moderates may mistake the post-Bush adjustment that Romney—as well as any other GOP contender—is making as a move toward genuine moderation by a chastened

party. But a real move to the center is nowhere in evidence in Romney's policy prescriptions. This ability to play both sides has made him the master of misdirection in contest 2008—and also the Republican front-runner in Iowa and New Hampshire.

Romney's feints to the center have been enough to lead some liberal bloggers to pronounce Romney "the least bad Republican contender" and "the least bad [GOP] President if he should win." As M.J. Rosenberg, director of policy analysis at the Israel Policy Forum, wrote at liberal blog *TPMCafe*, "He was, for a Republican, not a terrible governor and the Kennedy-Romney health care plan is better than most states have. He is a flip-flopper. To me that means he does not believe the right-wing garbage he puts out with such abandon."

Such perspectives, though understandable, are beside the point. It does not really matter which Mitt is the real Mitt or what he authentically believes. After seven years of Bush, liberals should know better than to imagine that the Republican base will nominate someone with secret plans to govern as a liberal, or even a moderate, regardless of what positions he once held in the past. The GOP will not, even accidentally, nominate someone still acceptable to a voter in Cambridge or Falmouth—voters whose views Romney has already begun to use as a foil. The GOP will only choose Romney if it can first change him, too.

Romney may occasionally sound like a Democrat and he may sometimes talk like one. He is an immensely appealing personality in the flesh—warm, funny, quick on his feet. But when it comes to all the most important issues of the day, the Republican primary process is turning him into the second coming of George W. Bush.

IN THE SPRING OF 1999, BUSH APPEARED TO BE SOMETHING NEW in American politics: a compassionate conservative. Liberal journals took him at face value, though with a glance at his father's wimp problem. "Wishy-washy or wise?" asked *The New Republic* (where I then worked). Campaign reporter Dana Milbank's assessment of Bush then could be applied directly to Romney today, changing only a few details.

What, exactly, does George W. Bush believe? The man tells us precious little himself. ... It is, at first glance, a conservative message, based on the notion that traditional values will help prevent poverty and other ills. But, deeper down, Bush's approach, warts and all, should sound familiar—and possibly comfortable—to some liberals. He assumes that government can be a force for good and that it has a responsibility to help the weak. Bush's stances so far on national issues such as Kosovo and abortion have been full of ambiguity and obfuscation, seemingly dictated more by tactic than by principle. Still, beneath Bush's mush is some evidence that he's trying to introduce a government-friendly conservatism to a party often hijacked by harsh and selfish ideology.

By mid-2000, however, that had all changed. Like many

Republican candidates before him, Bush was forced to reach out to social conservatives in order to win, and that drove Bush further to the right than he had ever been. He gave a controversial speech at South Carolina's Bob Jones University, begun in the 1920s as a whites-only Bible college, and relied heavily on evangelicals and on the organizing power of the Christian Coalition to derail John McCain in South Carolina. In the general election, he tacked back to the center, but by then the course of his presidency was set. In retrospect, it was

The GOP will not, even accidentally, nominate someone still acceptable to a voter in Cambridge or Falmouth.

fully for people to believe that Bush's advertised moderation in the general election was the path he would choose to govern from or that Bush even *could* choose to be—as he marketed himself—a new kind of Republican. By then he owed the far-right too many outstanding chits for that.

Like Bush, Romney believes that the road to the White House runs through the conservative communities of Iowa's western plains and the rolling hills of South Carolina. And while Romney may have expressed support for abortion rights as recently as his 2002 gubernatorial run, last fall he reached out to the same conservative judicial activists who helped Bush win over base voters in 2000 and mobilize support for him among evangelical communities in South Carolina. In December, powerful conservative constitutional lawyer Jay Sekulow, chief counsel for the American Center for Law and Justice and a close ally of Karl Rove's, signed on as a Romney legal adviser. In 1999, Sekulow's endorsement of Bush was a harbinger of the support Bush would ultimately receive from the Christian right, and Sekulow has since guided Bush toward judicial nominees who are slowly undoing the legal legacy of the late-20th century.

Gary Marx, the executive director of the Judicial Confirmation Network and former Bush-Cheney campaign liaison to social conservatives, is also advising the Romney campaign, as is well-known pro-life attorney James Bopp, Jr., the Christian Legal Society member known for his advocacy of a "human-life amendment" to the U.S. Constitution. Bopp's clients have included the National Right to Life Committee (he's still their general counsel), Focus on the Family, the Traditional Values Coalition, and the Christian Coalition.

Romney may have been governor of a state with one of the more liberal courts in nation, a court whose 2003 *Goodridge* decision stated that the right of gays to marry was supported by the state's constitution. But when it comes to judicial issues, he is running hard-right. On the trail, he repeatedly derides the *Goodridge* decision as something that would have come as a surprise to John Adams, the primary author of the 1780 Constitution of the Commonwealth of Massachusetts. "Perhaps more than any other governor in America I have seen what happens when you have an activist court," Romney said in Indianola. "I was so proud of President



Where's Barbie? The candidate as Ken doll, family in tow.

president's decision to sign the Patriot Act: "When some people said 'no' to the Patriot Act, to listening in to al-Qaeda, he said 'yes,'" he told voters in Carroll. And Romney has been highly critical of John Edwards' decision to criticize the president by calling the "war on terror" a bumper-sticker slogan.

When it comes to the question of torture, Romney's statements have been a model of obfuscation. "I support tough interrogation techniques, enhanced interrogation techniques, in circumstances where there is a ticking time bomb, a ticking bomb," Romney said in Denison, Iowa, according to an AP report. "I do not support torture, but I do support

Bush for selecting and installing Justice Alito and Roberts."

Romney laid it on even thicker for the Iowa Christian Alliance in Council Bluffs. "I will appoint justices like Alito and Roberts and Scalia and Thomas," he told them, cognizant of how thrilled the conservative base has been with this year's Supreme Court session. "And, I believe that if we do, we will see *Roe v. Wade* opened up." Romney promised the group that he would like to turn the abortion question back over to the states, where, it is widely understood, a substantial portion of them will instantly outlaw the procedure except in cases of rape, incest, or life endangerment of the pregnant woman. After his remarks, the couple that heads the local crisis pregnancy center in Council Bluffs was swarmed by well-wishers, including Romney. GOP Iowa caucus-goers are roughly three-quarters anti-abortion, according to Christian Alliance president Steve Scheffler, and 35 percent to 40 percent are either evangelical Christians or anti-abortion Catholics.

Or take the question of America's Iraq policy, which Pottawattamie County Republican Chairman Steve Cates said would be "absolutely one of the two biggest issues," along with immigration. Romney, like McCain, has supported the war, and as he campaigned in Iowa he strongly defended this spring's and summer's surge of troops into Iraq. He also has continued to defend the president's conduct of the war on terror. "Give Bush credit," he told the crowd in Indianola. "After September 11, the president has kept America safe, and I appreciate that very deeply." In Jefferson, he added, "It's very popular to be critical of the president in some quarters. But let's remember the president kept us safe after 9-11." Romney has also defended the

enhanced interrogation techniques to learn from terrorists what we need to learn to keep the bombs from going off." Thus is he on the record as both supporting torture and opposing it.

Romney has also been mocked by liberals for his call to "double Guantanamo," but that May GOP debate statement in support of lawless interrogation was no off-the-cuff remark. One of his chief foreign policy advisers is J. Cofer Black, a veteran covert operative who directed the CIA's Counterterrorism Center (CTC) from 1999 until May 2002, before becoming the Coordinator for Counterterrorism at the State Department during Bush's first term. He is now vice chairman of the private military contractor Blackwater USA. Black has testified before Congress that, "[A]ggressive, relentless, worldwide pursuit of any terrorist who threatens us is the only way to go and is the bottom line."

The CIA's CTC that Black ran is the division responsible for carrying out America's extraordinary rendition policy through its Rendition Group. In 2002, Black told Congress, "After 9-11 the gloves came off." According to *The Washington Post's* Dana Priest: "Dressed head to toe in black, including masks, [members of the Rendition Group] blindfold and cut the clothes off their new captives, then administer an enema and sleeping drugs. They outfit detainees in a diaper and jumpsuit for what can be a day-long trip. Their destinations: either a detention facility operated by cooperative countries in the Middle East and Central Asia, including Afghanistan, or one of the CIA's own covert prisons—referred to in classified documents as 'black sites,' which at various times have been operated in eight countries, including several in Eastern Europe." After 9-11 this

center grew from 300 to 1,200 people “nearly overnight” and became known as the Camelot of counterterrorism, according to the Priest article.

Even as Romney preaches tolerance toward others, laying the groundwork for the general election, he also preaches intolerance to appeal to his base, or stands silent as they preach it on their own. There has been no statement too outrageous, no group too far to the right, that he has felt a need to condemn it. In March, at the Conservative Political Action Conference in Washington, Romney cozied up to Ann Coulter right before she controversially called John Edwards a “faggot.” Over the summer, Romney posed for a picture with—and later signed the back of a photo of—a woman carrying a sign comparing Osama bin Laden to Hillary Clinton and Barack Obama. When Romney was asked to apologize, his aides said Obama and others needed to “lighten up.” When Romney was accused by Sen. Sam Brownback of Kansas, one of the contest’s longer-term social conservatives, of supporting gay Boy Scout leaders, Romney spokesman Kevin Madden in late July issued a statement in blatant contradiction to the feel-good antidiscrimination campaign trail statements I had heard the candidate make just weeks before: “Governor Romney has been the most prominent, leading advocate of the family values platform in this campaign. ... Governor Romney has been a supporter of the Boy Scouts and has said he supports their right to decide scouting policies.”

In Council Bluffs, at the fundraiser for the Iowa Christian Alliance where Romney was the keynote speaker, a man sidled up to me and asked about my name and background. When I told him my geographic background, he replied knowingly, “Ah, a cosmopolitan”—an ancient anti-Semitic code word for Jews. “We are hoping that whoever is elected will not forget this constituency,” said Christian Alliance president Scheffler as he introduced Romney shortly thereafter.

Of course a Republican candidate will campaign for the votes of his conservative base, but a man beholden to such a base will be constrained in how he governs. Witness the revolt on the right over Bush’s initial decision to appoint his long-time legal aide Harriet Miers to the Supreme Court. Not only did she lack the support of the conservative judicial activists, but there was a hint that she might have once held mildly tolerant views on abortion. The activists’ opposition forced her to withdraw her candidacy.

Was Romney a relatively liberal Republican as Massachusetts governor? Yes. Did he help back service programs that Democrats can cheer? He did indeed. Again, however, the critical question is: Does any of that matter today? And here the answer is a decisive no. Over the course of the next six months, as Romney runs for the GOP nomination, story after story will review the course of his life, his time in the governor’s mansion, even his father’s influence on his personality and campaign style. None of that will matter, though. If you want to know about what kind of president Mitt Romney would be, all you have to do is listen to what he is promising, and to whom. As Bush himself once said: “Fool me once, shame on—shame on you. Fool me—you can’t get fooled again.” At least on that, we should hope Bush is right. **TAP**

Hard-hitting. Clear-headed.



Middle East Report.

Get the story from the
magazine that takes on all the
players—no exceptions.

Subscribe online now at www.merip.org.
Or send \$37 (one year, four issues, US
only) to Subscriber Services, Middle
East Report, PO Box 277, Hopewell, PA
16550-0277.

Published by Middle East Research and Information
Project (MERIP), Washington, DC.

THE AMERICAN
PROSPECT
SPECIAL REPORT

TOMORROW'S AMAZONIA

*Using
and Abusing
the World's
Last Great Forests*

CONTENTS

- A2 Tomorrow's Amazonia**
BY ROGER D. STONE
- A4 Amazonia at a Glance**
(SIDEBAR)
- A5 The Amazon Basin**
(MAP)
- A6 Climate Change and the Forest**
BY DANIEL NEPSTAD
- A8 Biodiversity in Jeopardy**
BY MICHAEL GOULDING AND
ADRIAN FORSYTH
- A11 The Fractured Landscape**
BY PHILIP M. FEARNSIDE
- A14 Till the Cows Come Home**
BY MARK LONDON AND
BRIAN KELLY
- A16 Deforestation and
Global Markets**
BY STEPHAN SCHWARTZMAN
AND PAULO MOUTINHO
- A17 The Shielded Guianas**
BY MARK J. PLOTKIN
- A19 The Search for Solutions**
BY ROGER D. STONE
- A20 Better Governance**
(SIDEBAR)
- A22 Grassroots Successes**
(SIDEBAR)
- A24 The Role of the Public Sector**
BY ANTHONY HALL
- A26 The Economics
of Storing Carbon**
(SIDEBAR)
- A28 Deforestation and Poor
Amazonians**
BY MARY ALLEGRETTI
- A30 Whither Amazonia?**
BY THOMAS E. LOVEJOY AND
YOLANDA KAKABADSE

.....
THIS SPECIAL REPORT, edited by
Roger D. Stone, was made possible
through the support of The Wallace Genetic
Foundation and the Blue Moon Fund.
.....

PUBLISHER Diane Straus Tucker
SPECIAL REPORTS EDITOR Robert Kuttner
DIRECTOR OF EXTERNAL RELATIONS
Dorian Friedman, (202) 776-0730 x111
SUBSCRIPTION CUSTOMER SERVICE
1-888-MUST-READ (687-8732)
SUBSCRIPTION RATE \$24.95

Tomorrow's Amazonia

As farming, ranching, and logging shrink the globe's great rainforest, the planet heats up. A Prospect special report on the assaults on, and the efforts to protect, the Amazon.

BY ROGER D. STONE

THERE'S A BRASH, RISKY NEW AMAZONIA OUT THERE. Pioneer entrepreneurs are making fortunes from activities long considered not feasible in this vast and challenging place, gouging ever deeper into the rainforest in pursuit of wealth. The deeper they slash into the forest and burn it, the more greenhouse gas is released into the atmosphere. The destruction of the Amazonian forest has become a leading cause of global warming, with profound climate implications and dangers within the region and far beyond it. Why all this matters so much, and what there is to be done about it, is the subject of this report.

Amazonian soy growers, pushing aggressively into uncultivated lands, ship their very profitable product to customers as far away as China via a \$100 million waterway that runs from growing areas in Brazil's Mato Grosso state to a grain port at Itacoatiara on the Amazon. Soy, now Brazil's top export, is "the most important protein in the world," says Brazilian "soybean king" and Mato Grosso Governor Blairo Maggi, in an interview with authors Mark London and Brian Kelly. "We are creating the greatest soy-growing area in the world. This is the next great breadbasket." Maggi, not universally admired by environmentalists, insists that he does not have to cut down a single tree to expand his already formidable agribusiness empire.

Domestic and foreign markets for beef are thriving as well, with new pasture grasses improving yields in Amazonia and with the highly contagious hoof-and-mouth disease more or less under control in Brazil. Immense profits are being made from largely illegal Amazonian logging, which is only lightly regulated by underfunded, and often corruptible,

government agencies. With Southeast Asia's hardwoods being logged out, the future world-market prospects for Brazilian mahogany and some other hardwood species are bright. Manufacturers have made a roaring, if contrived, success out of the free-trade zone in Manaus, the capital of Brazil's huge Amazonas state. This booming city of 2 million, a thousand miles up the river, is among Brazil's most prosperous. The free-trade zone alone directly supports some 100,000 jobs. Amazonas Governor Eduardo Braga claims that his state remains more than 90 percent forested and that he intends it to become "the Costa Rica of the Amazon" through eco-sensitive development initiatives. Agriculture-triggered deforestation, meanwhile, races across southern portions of his domain.

And, say some, what's happening now is only the beginning of a grand, new development wave promising unprecedented wealth along a broad belt from the Andes to the Atlantic. Beyond the human imprints already imposed on the Amazonian landscape lie even grander designs being put forth by governments,

PAGE 41: ANDONI CANELA / ASA / AURORA PHOTOS



Roads Crash Through: This was the forest primeval. Now it's a stretch of the Trans-Amazon Highway, near Marabá, in the Brazilian state of Pará.

bankers, corporations, and development agencies. Oil, gas, and mineral exploration continue apace. The Brazilian state oil company is currently building the first of many planned pipelines from Amazonia's heart to urban markets. Venezuela's populist president, Hugo Chavez, has a similar idea and plenty of money to make it happen. The World Bank Group, which lacks a clear vision as to what it would like to see the Amazon become overall, currently favors heavy infrastructure projects, such as a soy port and facilities to support cattle ranching, over lighter-handed approaches more fashionable a decade ago.

At the Inter-American Development Bank, planners are progressively realizing the immense 348-project, \$38 billion Initiative for the Integration of Regional Infrastructure in South America (IIRSA) scheme. It envisions roadways from Brazil to the Pacific, bridges, airports, pipelines, hydroelectric power stations, and waterways all designed to support resource exploitation and trade within and beyond the region and bring riches

to many. Originally proposed by former Brazilian President Fernando Henrique Cardoso in 2000, IIRSA boasts a roster of 31 first-stage "top priority" projects scheduled for completion by 2010. New roads reach westward from Brazil's Acre state into Bolivia and across Peru, as if following Peru's visionary 1960s President Fernando Belaunde Terry's plan to link the Andes to the Atlantic and open new trade routes. "He dreamt about it then," says Avecita Chicchon, director of Latin American and Caribbean programs at the Wildlife Conservation Society. "Now it's really happening."

Such schemes give new currency to some old ideas about the basin's potential. After traveling in Brazil early in the 19th century, the Bavarian scientists Carl Friedrich Philipp von Martius and Johann Baptist von Spix foresaw a time when Amazonians would triumph over the "rank vegetation" and build an agricultural paradise. The great field biologist Alfred Russel Wallace expressed similar optimism about the prospects

for converting the "primeval forest" into "rich pasture and meadow land." Recent successes challenge long-prevalent scientific arguments about the basin's poor soils and resulting fragility as reasons to pursue nondevelopment policies. And they revive long-simmering ideas about riches stored within the basin and up for grabs. *Time* magazine featured this breathless description in its October 18, 1982, cover story:

The lore of this awesome stream, infested with ferocious piranha and catfish large enough to gulp small children, surrounded by lush rain forests, with trees up to 150 ft. tall, stretching hundreds of miles, is also gilded by a lingering legend that this formidable landscape conceals phenomenal treasures.

With perhaps 15 percent of the total Amazon forest already gone, up from something like 3 percent only 30 years ago, and deforestation continuing at alarmingly high rates, these new visions

AMAZONIA AT A GLANCE

Provided by the Woods Hole Research Center

- **POPULATION:** approximately 33.3 million
- **BASIN AREA:** just over 2.7 million square miles
Including the Guyana shield the area totals approximately 3.1 million square miles
- **BIODIVERSITY:** Over a fourth of the world's species
- **WATER:** 20 percent of world's flow of freshwater
7 trillion tons of water evaporated each year
- **AVERAGE ANNUAL DEFORESTATION 2000–2005 (BRAZIL):**
8,297 square miles
- **ESTIMATED PERCENT DEFORESTED (BASINWIDE):**
12–16 percent (342,000–369,000 square miles)
- **INDIGENOUS POPULATION:**
1.7 million
Over 200 indigenous languages
- **CARBON:** roughly 120 billion tons of carbon stored in biomass
- **COUNTRIES WITH AREAS INSIDE THE AMAZON BASIN, "AMAZONIA":**
Brazil, Peru, Ecuador, Bolivia, Colombia, Venezuela, Guyana, French Guiana, and Suriname



of Amazonian development scare the daylight out of many scientists, environmentalists, and other careful observers of the region. They see the near-chaotic wave of human occupation and forest destruction, especially along the well-defined Arc of Deforestation on the basin's southern and eastern flanks, as a steepening graveyard spiral that, unrelieved, can ultimately have no positive outcome. Forest cutting and burning cause the release of ever greater amounts of carbon into the atmosphere, which contributes to global warming, triggers drought, and turns the once-damp forest into a tinderbox. Sayonara in short order, fear many of the world's best-qualified Amazon watchers, for the magnificent Amazonian rainforest and its precious biodiversity—fully

“Climate change to the rescue,” says Adriana Goncalves Moreira, a World Bank environmental specialist with a Harvard doctorate and an insatiable will to bring better order to the basin's future development. First, she and others argue, the maximum possible amount of Amazonian land must be sheltered from random development. In partnership with the Brazilian government, the World Wildlife Fund, and several other international donors, the World Bank is currently supporting the Amazon Region Protected Areas Program (ARPA). This huge, new system of national parks and protected areas in the largely unspoiled northern Amazon is 50 percent larger than the entire U.S. national park system. One way or another, about half of all

Global warming offers powerful new reasons to arrest forest losses and keep carbon stored in trees.

a quarter of all the world's plant and animal species. The biome, writes Brazilian climate scientist Antonio Donato Nobre, has “survived glaciation but not the chainsaw and the torch.”

Conservationists' efforts to work out economic alternatives to Amazonian deforestation go back many years. Ethnobotanists have searched hard to find medicines in the wild from plants that cannot be farmed. Entrepreneurs have long sought to establish commercial markets for Amazonia's rich array of tasty fruits, the species du jour being a palm called the assai that yields a crushed pulp said to have health-giving properties. Brazil nuts, rubber, and some of the basin's myriad species of fish are other Amazonian products that traditional people can sustainably harvest, often from within government-designated protected areas called “extractive reserves.” Ecotourism is seen as a limited but viable form of income-generating forest use. But of all the ways suggested to alleviate forest destruction, many experts now agree, the most promising involve new efforts to protect portions of the forested landscape.

Brazil's Amazonian forest is now legally protected, and by popular demand more and more of it is being salted away all the time. Protected status is also being applied to extensive parts of Peruvian and Ecuadorian Amazonia that are especially well endowed with indigenous communities and biological riches.

With substantial portions of the forest secured, Amazon specialists argue, the world can more effectively focus on the next step—refining new initiatives to pay Amazonian people and nations handsomely for storing the carbon the forest contains rather than releasing it into the atmosphere. The world's progress toward the creation of a formal market for tropical-forest carbon, via the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC), is agonizingly slow. Nonetheless UNFCCC parties are actively discussing new means of avoiding tropical deforestation via international compensation, possibly a carbon-trading mechanism. It is no longer a question of whether some mechanism for compensating tropical countries for forest carbon will emerge, says climate-change expert Stephan



Schwartzman; it has become only a question of when—and what it will look like. And already (see “The Economics of Storing Carbon” sidebar, page A26) there is mounting interest among corporations in making informal purchases of forest-carbon offsets.

Those who would save the Amazon from disastrous helter-skelter deforestation are also working out the details of schemes to certify soy, cattle, and other Amazonian products as having been sustainably produced; already there is in place in Brazil a two-year moratorium on forest destruction to plant soy. The Forest Stewardship Council’s log-certification program, now in existence for several years with some success, is only a small first step in this direction, it is argued; many other similar initiatives will come along. For all the opposition to these sorts of projects in Washington and a few other environmentally backward places, there is widespread hope that the day for them will finally come as public concern about the effects of

global warming spreads ever more widely across the planet.

With such a rich assortment of big ideas in prominent circulation, it is a timely moment for this *American Prospect* special report. In it we offer a comprehensive analysis of the causes and consequences of Amazonian deforestation and the reasons why climate considerations have thrust these issues onto center stage for the entire world. Then we turn to the development efforts now being attempted, commenting both on the technological breakthroughs that have made some of them newly possible and on old and new obstacles to success that public initiatives face: inadequate funds for management, vast distances, corruption, politics.

Weighing all the factors, we reach a conclusion that is gloomy—but less than apocalyptic. Even without climate change as a compelling new kicker, there have been many improvements in research, understanding, and policy within the nine nations that occupy the region and control the basin’s destiny.

And global warming and its ominous effects offer powerful new reasons to convert thought into action to arrest forest losses and keep carbon stored in the trees. On balance we see Amazonia as likely, as Brazilians would put it, to *piorar cada vez menos*—get worse at an increasingly slower rate. Finally we suggest some ways in which the international community can help—and offer reasons why it is urgently important to make the effort. **TAP**

Roger D. Stone, guest editor for this special report, is director and president of the Sustainable Development Institute. He was formerly a correspondent and news bureau chief for Time magazine with three years’ service in Brazil. He has also been a vice president of the Chase Manhattan Bank and of the World Wildlife Fund, and president of the Center for Inter-American Relations. He is the author of five published books including *Dreams of Amazonia* (Viking/Penguin, 1985).

Climate Change and the Forest

*Warming breeds drought, drought breeds fires,
fires release carbon, carbon breeds warming.*

BY DANIEL NEPSTAD

IN 1984, ON THE OUTSKIRTS OF PARAGOMINAS, a bustling and violent cattle town in the eastern Amazon, I walked through a pasture, brown and dusty from drought, into a 500-acre island of virgin forest. The moist greenness of the leaf canopy that reached more than 100 feet above my head and the squishy dampness of the humus, dead leaves, and branches on the ground were a world apart from the parched African grasses and gaunt white zebu cows I had just seen. Although I didn't realize it at the time, it is in understanding the differences between these two worlds—the rainforest and the cattle pastures that are replacing them—that we begin to realize how the lives of people around the world are tied to the fate of Amazon forests. The climate of the Amazon and the climate of the planet are both dependent upon the deeply rooting, drought-resistant trees that comprise Amazon forests, just as the survival of these trees depends upon climate. The risk is that the early symptoms of climate change will act synergistically with logging, fire, and drought to replace much of Amazon rainforests with fire-prone scrub vegetation, accelerating global warming in the process.

To penetrate the complex web of relationships between climate and rainforest, we must begin with a lesson in tree physiology. Hug a tree on a warm, sunny day, and your arms surround thousands of tiny, little tubes full of water that is racing silently skyward, like soda up a straw. Everyone has seen these tubes, which biologists call “vessels” and “tracheids.” They help form the grain in wood. Seasonal variations in the diameters of these tubes make up the growth rings we see on the cut surfaces of tree trunks. Wood is the plant world's most successful invention for accomplish-

ing two extraordinarily difficult tasks. Its remarkable strength allows trees to position their leaves to capture sunlight far above the ground. And its exquisite plumbing network of vessels and tracheids supplies these leaves with water absorbed from the soil.

For many years it was assumed that Amazon trees are not very good at absorbing water from the soil because of their very shallow root systems. Back in 1984, as I returned to that 500-acre forest island nearly every day of the five-month dry season, the mismatch between the assumption and what I was seeing slowly sank into my graduate-student mind. Some simple calculations led me to predict that the towering, green trees had to be absorbing moisture from at least 25 feet beneath the ground surface,

The carbon stored in the Amazon's trees equals roughly 15 years of human-induced carbon emissions into the atmosphere.

well beyond the two- or three-foot rooting depth assumed by most. Otherwise these trees would have turned brown and gone dormant, just like the African forage grasses planted in the neighboring pasture. Twenty-five feet was the depth of soil needed to store the amount of water that the forest was releasing to the atmosphere through “transpiration”—the evaporation of water from leaves into the air—and that was not being supplied by the meager, dry-season rains that had fallen. I hired some well-diggers from Paragominas, a town south of Belém, to test my calculations and look for deep roots. One hearty digger dug down 68 feet, aided by an industrial fan that pumped fresh air into his damp, dark,

grave-sized hole. The last tree roots disappeared 60 feet beneath the ground's surface. By 1992 my research team had dug dozens of deep holes across the Amazon with similar results. The assumption of shallow rooting in Amazon trees was put to rest in 1994 as we published our results in the journal *Nature* despite stiff resistance from some reviewers of our controversial findings.

Deep roots are far more than a botanical curiosity. For by allowing Amazon forests to remain green and lush during the severe seasonal droughts that affect about half of the Amazon region each year, these cryptic tree organs facilitate the release of enormous amounts of water to the atmosphere through transpiration. Thanks to deep roots, Amazon trees can supply the atmosphere with vapor year round, and this vapor is the most important ingredient of rain clouds in this region. The year-round greenness of Amazon forests is important for another reason. Fires that are lit by cattle ranchers to kill the woody brush that invades their pastures often escape from control, and burn right up to the edge of the neighboring forest. Usually the fire goes out as it encounters the damp leaves

and branches lying on the forest floor. But in 1984, ecologists Christopher Uhl and Robert Buschbacher made a disturbing discovery, also in the Paragominas region. The burgeoning logging industry of Paragominas was creating ragged holes in the rainforest, damaging 20 trees for every choice timber tree that it harvested. Uhl and Buschbacher went to forest after forest and the result was the same. The holes created by the logging teams were allowing sunlight to stream into the forest interior, drying up the damp humus and dead leaves, turning the forest floor into kindling. In the wake of logging crews, forests were losing their resistance to fire—and were burning.

In 1992 I got my first frightening



The Forest Felled: Amazonia's fires add carbon to the atmosphere and make the planet hotter.

glimpse of the future of the rainforest in a warming world. The water temperature of the ocean off the coast of Peru started to heat up in a particularly severe El Niño episode. El Niño changes atmospheric circulation patterns around the world, making it rainier in some places (like California and São Paulo) and drier in other places (like the eastern Amazon and Borneo). In Paragominas it had rained only four inches in five months, and the trees were starting to show their thirst. During

our monthly measurement of leaf water stress (imagine eight men climbing trees on mountain-climbing ropes, plucking leaves from the branches just before sunrise!), my jaw dropped as I measured each leaf with the same sobering result. The forest had run out of water! Leaf water stress had skyrocketed.

A few days later, it rained three inches, and the drought was over. But what would have happened had the drought continued? Would the forest have shed its leaves,

becoming an enormous tinderbox? Would trees have died? Which ones? I realized that I couldn't wait for the next El Niño episode to find out, and I had my field crew start to build a small roof in the forest to divert rainfall from the soil. Satisfied that we could simulate a truly severe El Niño episode to learn how the forest reacts to a depletion of soil moisture, I began to raise money to expand the little soil shelter to 2.5 acres. In 1997, as forty laborers dug trenches, built towers up into the forest leaf canopy, and constructed 6,000 clear plastic panels to divert water from the soil, Peruvian coastal waters began to heat up again. For the first time, small fires that I set on the forest floor had to be put out. The humus and dead leaves had dried enough to catch fire, even without the help of logging crews. By the end of the 1997 dry season, the 500-acre forest I knew so well was gradually slipping over the edge. As our research team looked at the rainfall data from the region, we realized that this was not a local phenomenon. The forests of the eastern Amazon were being pushed to the limit of their drought tolerance. It was an environmental crisis in the making.

Our news release to the Brazilian media met with denial. Government officials declared that "the Amazon forest does not catch fire" even as the low (shin-high) naturally occurring fires burned for weeks into virgin rainforest, invisible to the official satellite-based fire-detection system. But the denial quickly melted away in January of 1998, as forest fires moved across the Brazilian state of Roraima and the homeland of the Yanomami Indians. The fires became an international emergency as images of indigenous families driven from their forest homes ran on prime-time television. The Brazilian government requested a \$15 million loan from the World Bank to prepare itself to fight forest fires, and our little research team raced to map out the forests that were at greatest risk. In May of 1998, we presented our map of forest-fire risk to the Brazilian Congress, warning the government that forests once burned were more likely to catch fire again in a vicious cycle. As we had seen from previous burns, forest fires toasted the bark

at the base of trees, condemning many of these giant organisms to slow death, creating gaping wounds in the canopy. As the 1997–1998 El Niño episode roared on, drought, fire, and the risk of further burning came together in a recipe for large-scale forest destruction. More than 15,000-square miles of forest—an area twice the size of Massachusetts—caught fire during this drought episode.

The 1997–1998 El Niño episode finally came to a halt just as we installed the last plastic panels across a patch of rainforest soil, initiating a four-year-long period of reduced rainfall. During the third year of our experiment, which I led together with my long-term friend and colleague, Paulo Moutinho, one of our main predictions fell flat. Instead of small trees succumbing first to the effects of our imposed drought, the largest trees began to die. Deprived of soil water to a depth of 45 feet, the sun-exposed leaves of the tallest trees become particularly vulnerable to tissue damage and death. Like logging and forest fire, a severe drought kills some of the trees that contribute most to the deep, damp shade of the forest interior, and therefore increases the risk of forest fire for years after the drought has gone by.

As I survey the forests of the eastern Amazon from forest trails, small airplanes, buses, or pickup trucks, I see a magnificent ecosystem teetering precariously close to a tipping point. El Niño episodes may become more common in a warming world, some climatologists believe. And in 2005, the warming waters between western Africa and the Gulf of Mexico showed us that there is more to worry about than El Niño. The warming of the tropical North Atlantic Ocean in 2005 gave North America one of its most brutal hurricane seasons, with devastating consequences for New Orleans. This same anomalous warming of the North Atlantic also created a high-air-pressure system above the Amazon that inhibited the rains over large areas of the central and western Basin. Hundreds of riverside villagers were stranded, unable to navigate the rivers for lack of water. Fish kills contaminated water supplies, and palls of smoke provoked respiratory ailments. We don't know the full extent of fire damage

for 2005. But in the southwestern corner of the Amazon, at least a thousand-square miles of forest caught fire.

At some time in the near future, we may see a mega-drought that extends for three years that kills trees and fosters fire across a third or fourth of the Amazon Basin. Every dead tree will slowly release the carbon in its wood into the atmosphere as it decomposes or burns. There are approximately 120 billion tons of carbon stored in the wood of Amazon trees, equivalent to 15 years of today's worldwide, human-induced emissions of carbon to the atmosphere. A catastrophic period of drought and fire could erase the gains made in lowering greenhouse-gas emissions through the Kyoto Protocol, and through the many new initiatives underway in California and elsewhere. And if such a devastating drought crip-

pled the forest's ability to pump vapor into the atmosphere, feeding the rain clouds that supply the entire region, the chances of another mega-drought would become greater.

It is in all of our interests to prevent this scenario of widespread destruction of the Amazon. A promising new system for rewarding those tropical countries that achieve success in lowering their greenhouse-gas emissions from tropical forests could be the carrot that is needed to encourage Brazil and other nations to do what the United States was unable to do: keep most of its virgin forests standing. **TAP**

Daniel Nepstad is senior scientist at Woods Hole Research Center and founder of the Instituto de Pesquisa Ambiental da Amazônia (IPAM).

Biodiversity in Jeopardy

There are more life forms in Amazonia than anyplace else. But by the end of this century, there may be many fewer.

BY MICHAEL GOULDING AND ADRIAN FORSYTH

THE AMAZON BASIN IS, ABOVE ALL, our planet's greatest celebration of biodiversity, where for hundreds of millions of years environmental conditions have favored an overall increase in the numbers of species. It is not clear why this has been so. Perhaps the principal factor has been a warm and humid climate, at least in large parts of the Amazon Basin.

Tracing the Amazonian landscape through time, we see huge rivers shifting their courses, rainforests contracting and expanding to the pulse of climatic change, and the evolution of several major ecosystems within the reaches of the world's greatest river network. These factors and others allowed the diversification of both animal and plant species. Indeed, flowering plants have been diversifying there for at least 65 million years. Although the plant species are far less diverse than the

animals, it is the structure of the tropical rainforest that supports the millions of animal species found there.

The giant rivers of the Amazon weave together the ecosystems that support our planet's greatest profusion of life. The reflection of the trees that we see splashed across the water's surface is both literally and ecologically a reminder of how closely linked are the rivers and rainforest. In the Amazon one is unimaginable without the other. Flowing through vast floodplains, the Amazon's various river types include muddy, clear, and black-water tributaries, each with its own chemistry and unique combination of species.

The geography on which the rich biodiversity in the Amazon is expressed embraces five main geologic-ecologic regions: the Andes, Amazon Lowlands, Brazilian Shield, Guiana Shield, and estuary. The shield regions are the ancient



City Meets Waters: Booming Manaus spreads alongside convergence of white- and black-water rivers.

but now highly eroded uplands (usually below 3,300 feet) north and south of the Amazon River. They are found mostly in Brazil within the Amazon drainage. The diversification of the Amazon flora and fauna is most prevalent here.

Large areas of the Amazon Lowlands have very sandy soils. These sandy regions discharge waters that, depending on light conditions and exact chemistry, appear amber, black, or brownish in color. They are generally called black-water rivers, of which the Rio Negro is the largest and most famous. Most of the rivers in the western part of the Amazon Basin that do not receive Andean sediments discharge black water. In fact the Amazon River may have been a black-

water river before the rise of the Andes some 15 million years ago. Black water is usually very acidic in contrast to that found in muddy rivers, such as the Amazon River, whose pH is near neutral. A combination of highly sandy soils and acidic water has led to the evolution of unique flora and fauna in black-water river basins, which are almost biological islands within the larger rainforest.

Approximately 95 percent of the Amazon Basin consists of uplands and 5 percent is wetlands. Five percent might not sound like much, but because the Amazon Basin is nearly the size of the continental United States that means that an area more than two times the size of Florida is inundated to some extent each

year. Under natural conditions rainforest covers about one-third to one-half of floodplains. In most of the Amazon lowlands, the floodplains are inundated with water for about six months each year from depths of four to 20 feet. During this time, the rich diversity of arboreal and aquatic life interacts via the flooded forest. Fishes, for example, swim among the flooded rainforest trees.

The Amazon Basin claims the world's richest concentration of flora, with approximately one-third of South America's floristic diversity and one-tenth of that of the planet. There are perhaps as many as 5,000 plant species on Amazon floodplains, including those in rainforest streams.

Because arthropods (jointed invertebrates, which are mostly insects) have been so little studied in the Amazon Basin it is not possible to make an accurate estimate of the total number of animal species that might be present. Estimates range from one to more than 20 million species.

Fishes and birds are the most diverse vertebrate groups in the Amazon. Fishes are by far the least known. Based on taxonomic work in the last four decades, a reasonable guess is that there are at least 3,500 fish species in the Amazon, compared to 800 native species in North America. The Amazon has the richest freshwater fish fauna in the world and also the richest bird fauna of any river valley. At the present rate of taxonomic progress it would take at least another century for Amazon fish species to be described and classified, and distributions known, to the level of those of their North American counterparts.

Amazonian birds are well known and few new species are described each year. The Amazon Basin claims approximately one-tenth of the world's birds, or about 950 of the 10,000 known species. There are many migratory species that contribute to the incredible avian diversity in the Amazon. Bats, with perhaps 150 species, are the richest mammal group in the Amazon, followed by rodents. The Amazon also has the most diverse primate fauna in the New World.

Humans have been in the Amazon

Basin for at least 12,000 years, which is not very long compared to their presence on most of the other continents. Their impact on biodiversity, however, has received considerable attention from social scientists, and it is often hypothesized that indigenous peoples greatly modified rainforest and savanna ecosystems before the arrival of Europeans.

The archaeological evidence is sufficient to demonstrate wide occupation of the Amazon Basin and relatively dense human populations in some areas, such as on Marajó Island at the mouth of the Amazon River and in the savanna regions of eastern Bolivia. Some anthropologists have even suggested that the great diversity witnessed in the Amazon today is the result of human-caused forest fragmentation that led to genetic isolation and thus the evolution of new plant and animal species. There is no sound biological data to support this, however, and the evidence now suggests that the Amazon rainforest is very old and was highly diverse before humans arrived. Indigenous peoples undoubtedly had significant impacts on

being gathered in the millions by mid-19th century. Their populations plummeted and they have not been allowed to recover to their natural levels. The Amazon manatee was overexploited for meat, hide, and oil by the end of the 19th century. The large pirarucu, a fish species that grows to more than 250 pounds and 10 feet in length, was used as a substitute for salted cod in Brazilian cuisine. All three animals continue to be exploited, though perhaps the manatee is the most threatened.

When South American cities began to grow rapidly after the 1950s, fish became the main protein source of those urban populations. The Manaus and Belém fishing fleets grew exponentially and both began to exploit rivers as far away as 1,200 miles. There were few, if any, regulations. By the 1980s it became obvious that some fish stocks had been overexploited, but more alarming was floodplain deforestation and the introduction of large numbers of cattle and water buffalo, which were eliminating fish habitats that included flooded forests and floating meadows. Unfortunately there is still too much zeal to regulate fishermen and too little effort to protect the habitats on which commercial fish species depend.

Each of the Amazon's five main ecosystem regions faces its own set of biodiversity threats. Perhaps the greatest threats to biodiversity come in the Brazilian Shield and Guiana Shield regions and the floodplain forests of the Amazon lowlands. Large-scale agriculture, such as soybean farming and cattle ranching, has been rapidly expanding in upland areas toward the central Amazon from both the south and north. Brazilian Shield rivers, such as the Tocantins and Tapajós, are becoming more turbid because of increased erosion as the result of large-scale agriculture. Higher turbidity, along with increased pesticides, will undoubtedly threaten aquatic biodiversity in the long run. Floodplain deforestation has been heavy in the past few decades along the lower 1,200 miles of the Amazon River, and this has undoubtedly hurt fisheries.

Many headwater areas of the Andean slopes have been heavily deforested in Colombia, Ecuador, Peru, and Bolivia, though there is no evidence that this has

yet altered rainfall and river-level patterns, impacts that might seriously affect biodiversity. Alluvial gold mining in Peru and Bolivia has increased the sediment load of the Madeira River, a naturally turbid river anyway. Mercury from gold-mining operations has been a serious concern for more than two decades, but fortunately it has not shown up in dangerous levels in fish food chains.

To date there is no evidence that any species in the Amazon Basin has become extinct as a result of human activities, but extinction is probably a poor measure for most Amazon species, as so many of them are widely distributed and have recognizable subspecies. The most likely scenario is that, by the end of the 21st century, the populations of many subspecies will be greatly reduced and in some cases driven to extinction. This, more than loss of a species per se, will decrease the genetic diversity in the Amazon.

The greatest concern that we should now have regarding Amazon biodiversity is our lack of understanding it. At present there are only a few scientists who study some of the huge regions discussed earlier in this article. There has been an arrogance of late; many believe that enough is already known about Amazon biodiversity and therefore that large-scale investment in cataloguing flora and fauna and studying their ecology is not worth the resources required. That naiveté spread across governmental organizations, NGOs, and benevolent foundations, is the major threat to the development of a meaningful conversation on Amazon biodiversity. Until we better understand the extent of the biodiversity out there and how it is distributed, it will be virtually impossible to develop strategies to protect it, given the far-reaching economic development that will take place during this century. **TAP**

Michael Goulding is a conservation scientist at the University of Florida and the author of numerous books on Amazon ecology. Adrian Forsyth, board president of the Amazon Conservation Association, is vice president for programs at the Blue Moon Fund and a research associate at the Smithsonian Institution.



Pirated Biodiversity: These poached baby river turtles were confiscated en route to Belém market.

local biodiversity but probably not on regional biodiversity because of the wide distribution of most species.

With the arrival of Europeans, some Amazon plant and animal species began to be heavily exploited for food, but none were driven to extinction. The giant river turtle, manatee, and pirarucu fish were the three most important species exploited until about 1960. The giant river turtles were killed for meat and their eggs were



Domino Effect: Roads for logging or farming make untouched forest accessible to the ravages of chainsaws.

The Fractured Landscape

A road here and a cattle ranch there imperil more than the immediate vicinity.

BY PHILIP M. FEARNSIDE

THE LANDSCAPE IN AMAZONIA IS rapidly becoming fractured, weakening the rainforest's capacity to withstand the escalation of ever-stronger assaults, ranging from chainsaws to climate change. The forest is not only being crisscrossed by highways, pipelines, and other kinds of infrastructure. It is also riddled with clandestine logging roads and the scars of forest fires.

DIRECT DESTRUCTION

The dominant form of rainforest destruction is still deforestation, the deliberate cutting of trees with chainsaws, followed by burning to prepare the land for planting. Cattle pasture is the principal land use replacing forest, and large- and medium-sized ranches account for around 70 per-

cent of the clearing. The portion that is cleared by small farmers is often planted for a year or two in annual crops such as manioc or rice, but after this initial use the land winds up converted to cattle pasture just the same.

In some parts of the Brazilian Amazon, highly capitalized soybean plantations are making inroads in the forest. However, the greatest impact of soybeans is not the land directly cleared for this crop, but rather the highways that are built or improved to transport the harvest to deepwater ports, most importantly the BR-163 (Santarém-Cuiabá) Highway that is expected to bring soybeans from Mato Grosso state to the Amazon River. Highways like these set in motion a process of deforestation for ranching and for secur-

ing speculative claims to the land that suddenly becomes much more valuable due to the presence of the road. The road also brings logging, landless migrants, and investments in all sorts of forest-destroying activities, both legal and illegal. In addition to highways, other kinds of infrastructure projects lead to forest fragmentation and destruction. These include pipelines for oil and gas, industrial waterways, electrical transmission lines, and hydroelectric dams.

Logging is one of the most pernicious activities. Most Amazonian logging is still illegal and is done with no regard for the damage it causes to the remaining forest when logs are removed. Even legal logging in forest management areas has significant impacts. In Amazonia, the extraordinary diversity of tree species means that most of the trees are not commercially valuable. Clear-cutting for timber, as in the coniferous forests of North America, is not economically viable. Future technologies may change this: Biofuels represent a potential threat

to the forest not only for plantations of crops like sugarcane and oil palm, but also for direct production of alcohol from wood cellulose of any species if methanol production technologies advance as some expect in the coming decades. The future threat of clear-cutting apart, today's selective logging has major consequences.

Logging spreads to vast areas, and the expansion of the highway network dramatically increases the area affected. Logging spreads deforestation by providing access to a vast network of "endogenous roads," by motivating clearing in order to establish land claims to timber-rich forests, and by providing money to pay the costs involved. The aftermath of logging is a forest with many holes in the canopy, allowing sun and wind to dry out the forest floor. A large stock of fuel for forest fires is created by the dead trees killed by machinery or pulled over by vines when neighboring trees fall, together with the branches and other debris left from the harvested trees. This sets the stage for a vicious cycle of degradation by fire that can destroy the remaining trees, leaving a bare area that will appear as deforested on satellite imagery. Logged areas are much more likely to burn than are unlogged areas, and when a fire does occur it is more destructive in the logged area.

Forest fires in Amazonia are very different from those in North America, where fires in coniferous forest like the one portrayed in Walt Disney's film, *Bambi*, rush through the crowns of the trees. In Amazonia, forest fires take the form of a thin line of flames slowly moving through the forest understory. While the size of the flames may appear unimpressive, their effect on the trees is devastating. Damage is worse because the fire front advances so slowly: Just as you can pass your finger quickly through the flame of a candle and not get burned, if you hold your finger there for a minute the result is entirely different. The fire heats the cambium beneath the bark at the base of each tree trunk, killing many of the trees. These dead trees provide the fuel for the next fire, which will be hotter and will kill more trees. After fire has passed through an area of forest three or more times, the forest is basically destroyed.

INDIRECT DESTRUCTION

Loss of forest to deforestation, logging, and fires contributes to another increasingly apparent threat—climate change. Climate change and forest loss reinforce each other in a positive feedback relationship: Climate change kills forest, leading to more climate change that kills still more forest. Half of the dry weight of the forest is carbon, and when the trees burn or rot they release greenhouse gases such as carbon dioxide and methane. These emissions add to the increases in the atmospheric loads of the gases that come from fossil-fuel combustion and other human activities all over the world. The resulting global warming kills Amazonian trees through a combination of increased temperature and decreased

the Pacific warming up and nothing happening in Amazonia, it means that there is something missing from the models, not that we are safer in Amazonia.

In 2005 Amazonia was hit by a very severe drought that was not caused by El Niño, but was related to global warming. While El Niño is triggered by warm water in the Pacific, in 2005 the drought was the result of a patch of warm water in the Atlantic—the same one that gave rise to hurricane Katrina. A study by Kevin Trenberth and Dennis Shea at the U.S. National Center for Atmospheric Research, published in the journal *Geophysical Research Letters* in 2006, indicates that half of the higher-than-normal temperature of the Atlantic water was directly due to global warm-

New highways are spreading deforestation to previously inaccessible areas.

rainfall. When temperatures increase, trees need more water just to survive. Several global climate models indicate that continued global warming would lead to decreased rainfall in Amazonia, along with greatly increased temperature.

A key factor in the changes in Amazonia is the effect of the El Niño phenomenon, which occurs in today's climate when the surface waters in the tropical Pacific warm past a critical threshold. This event has been occurring at increasingly frequent intervals since 1976. The Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), released earlier this year, indicates that there is now general agreement that "El Niño-like conditions," meaning warm water in the Pacific, will be more frequent with continued global warming. The climate models do not yet agree as to the link to El Niño itself—that is, to the droughts and floods that occur at different locations around the world as a result of the phenomenon triggered by the warm water.

Unfortunately for us in the Amazon, this is the part that we know from direct experience, without depending on climate models. Whenever the water in the Pacific warms, we have droughts and forest fires in Amazonia. If a model shows

ing, and much of the remainder was an indirect effect. Continued warming will make such droughts more severe when they occur.

Another indirect effect that reinforces the damage from droughts driven by global warming is the effect of deforestation on water cycling. Two models published in 2007 confirm that deforestation makes the climate over the remaining forest both hotter and drier. These effects augment both the impact of El Niño and the direct effects of global warming, further weakening the forest's resistance to water stress and fire. All of these effects act to intensify and lengthen the natural dry season in Amazonia, shifting the climatic zones so that more of the region becomes climatically appropriate for savanna rather than forest.

PROSPECTS

The course of development in Amazonia is rapidly weakening the remaining forest both through projects directed by development plans and by uncontrolled social processes that advance into new areas regardless of what the government might wish. The infrastructure projects in Brazil's January 2007 "Plan for the Acceleration of Growth" (PAC) have



The Cutting Edge: Sawmills blossom along highway BR-163, in the heart of the Arc of Deforestation.

enormous environmental consequences, though these accorded no weight when the plans were announced.

The BR-163 (Santarém-Cuiabá) and BR-319 (Manaus-Porto Velho) highways are prime among these. Until now, at least 70 percent of the deforestation activity in Amazonia has been confined to the Arc of Deforestation, a crescent-shaped area along the eastern and southern edges of the forest. These two highways will connect the Arc of Deforestation to the Amazon River, as well as providing entry points to new frontiers north of the Amazon River. The BR-319 is particularly pernicious in opening large, previously inaccessible areas to migration. Planned side roads would open the vast undisturbed block of rainforest in the western part of the state

of Amazonas, while the flow of people along the already-existing BR-174 Highway from Manaus to Boa Vista would bring the land conflicts and squatter invasions that are commonplace in the Arc of Deforestation to new areas in the far northern portion of Amazonia.

On the positive side, there are continued advances in forest protection. An important process is the “demarcation” of indigenous areas, that is, marking the boundaries on the ground as opposed to merely drawing them on a map. Another area of progress is the creation of an increasing number of such protected lands, both by the federal and the state governments. These are essential in securing the long-term future of the forest. Maintaining the forest will require more than the usual knee jerk

deploying of guards and upping of fines for unauthorized clearing.

The connection of deforestation to infrastructure decisions, however, is the fact that nobody in Brazil wants to face. One can't have both a decline in deforestation and the construction of ever more roads opening up new areas of forest, no matter how many plans for sustainable development and governance are announced simultaneously. Fortunately, the economic force of destruction is not the unstoppable juggernaut that many people unquestioningly assume.

Most of Brazil's deforestation is for cattle ranches that contribute very little to either the national economy or to supporting the Amazon's human population. The number of cowboys needed to maintain the pasture and cattle on these ranches is minimal once the trees have been felled. Some of the infrastructure projects that would be most damaging are highly questionable on purely financial grounds, independent of the astronomical cost they would have if their environmental impact were counted in the calculation. The rationale for the BR-319 Highway is to transport products to São Paulo from the factories in Manaus. Expanding the port in Manaus and sending the products by ship could accomplish this more cheaply and with incomparably less environmental impact.

The processes that fracture the Amazon landscape, such as deforestation, logging, and climate change, all have a momentum of their own that carries them forward even after efforts are begun to alter the course of change in the region and, in the case of climate, in the world as a whole. This means that there is no time to waste before actions are taken. Foreseeing the consequences of continuing on our current course in Amazonia can only help prevent the collapse of the forest if the actions are taken in time. **TAP**

Philip M. Fearnside is a Research Professor in the Department of Ecology at the National Institute for Research in the Amazon (INPA) in Manaus. He is a permanent resident in Amazonia, where he has lived for over 30 years doing ecological research.

Till the Cows Come Home

Once economically marginal, cattle ranching in the Amazon now yields big bucks.

BY MARK LONDON AND BRIAN KELLY

MARABÁ, THE TRADITIONAL HUB for logging and gold-mining activities, also serves as the capital of cattle ranching in the Brazilian state of Pará. Located in southern Pará at the intersection of a trunk road of the Belém-Brasília with the Trans-Amazon highways, Marabá is also intersected by both the train that runs from the mineral-rich Carajás hills to the port of São Luís and the Tocantins River, which is navigable all the way to Belém.

As the cattle-ranching industry matured first around Marabá, many of the early conclusions about its impact were drawn from nearby areas. During our first series of visits in the early 1980s, we had traveled uncomfortably by bus from Marabá to Belém for more than 18 hours. We wrote, “We gazed out the window at evidence for dire predictions of what would happen to the entire Amazon if it were cleared. The stampede into the jungle here had begun only two decades before with the completion of the Belém-Brasília Highway. Rapidly trees had been cut and burned to make way for pasture. Crops of grass sown in their place had grown sparser each year until they quit growing altogether. Thin cows wandered miles between meals. The desert of failed ranches went on for an hour—gray sky, gray dirt. It was 50 miles of moonscape.”

The lunacy of the activity became even clearer as we traveled from ranch to ranch and found out that no one was making money. People had perfected methods of deforestation but were clueless about how to raise cattle profitably.

IN THE 1970S AND 1980s, THE GOVERNMENT offered generous subsidies throughout Amazonia for agriculture, primarily cattle ranching. The military govern-

ment’s motivation was geopolitical, not economic. Typically the land grants and financial support went to well-heeled individuals or large corporations cozy with the government.

The cattle industry has been under attack since the environmental movement first focused on the Amazon. The furor over this subsidized destruction

There is a seemingly endless supply of land in the Amazon and a seemingly endless demand for meat in the world.

intensified in the 1980s when a sensational, but inaccurate, rumor spread that the “hamburger connection” was the primary culprit of Amazon deforestation. People in the Amazon, the theory went, were landless so that Americans could eat the cows that displaced them. None of this was true (at the time the United States wasn’t importing Brazilian beef), but it did make good press.

The strategy of the environmental movement could be relatively simple: cut off government subsidies, and cattle ranching would cease. The forest would be safe. Part of the plan was implemented, as the government curbed subsidies by the early 1990s. Yet, from 1990 to 2005, the cattle population in the Amazon increased from 26.2 million head to 65 million. At the same time, the total amount of deforested land in the Amazon increased from about 160,000 square miles to 240,000 square miles. With a 5.5-to-1 ratio of clearing for cattle over clearing for farming, the cows were the culprit.

Somewhere along the way, a significant assumption underlying the stop-subsidies-and-you-will-stop-cattle

argument changed. Cattle ranching became profitable. A breakthrough study conducted by Sergio Margulis of the World Bank in late 2003 highlighted this change in economics: “[Beef] cattle ranching in Eastern Amazonia or on the consolidated frontier is highly profitable from the private perspective and it produces rates of economic return higher than those obtained from the same activity in the country’s traditional cattle-ranching areas [in the south]. In addition to the availability of cheap land, these returns are the result of surprisingly favorable production conditions—mainly rainfall, temperature, air humidity, and types of available pasture. The direct return on cattle ranching itself (excluding profits from the sale of timber) consistently exceeds 10 percent.”

The business is even more impressive when you consider that ranching land is an appreciating asset. The land’s appreciation provides a private alternative to government support, as banks, viewing the land as adequate collateral, willingly loan capital to support cattle ranching. Now the operation and the asset underlying it both make money.

WE TRAVELED TO THE FAIRGROUNDS ON THE outskirts of Marabá to interview James “Jimmy” de Senna Simpson, the Pará treasurer of the Rural Producers’ Union, and Diogo Naves Sobrinho, the Pará president of the cattle association. Tired of being vilified in the world press, attacked by Greenpeace, and besieged by the landless movement trying to occupy their lands, neither welcomed us warmly.

“I obey the law. I make money,” said Simpson of his cattle business.

There was no reason to doubt either statement. But they spell doom for the trees of the Amazon, unless a way can be found to reconcile the rights of these law-abiding citizens, participating in a free-market economy, with the perceived environmental needs of a larger group in



Where's the Beef? Cowboys herd cattle on highway BR-163 in the Brazilian state of Pará. Amazon ranching means bigger profits and a smaller forest.

the region as well as those far removed from the site. To the extent Amazon deforestation affects global warming, these lawful activities are the culprits. But under what theory do you punish someone for obeying the law?

Simpson, whose family emigrated from Scotland in 1948 to work on cattle ranches in the south, arrived in Pará in 1992. About 50 and balding, dressed in a polo shirt and neatly pressed jeans, he sat behind a clean desk in an air-conditioned office in the empty fairgrounds, speaking with confidence in his cause. "Amazonia isn't what they say it is outside of Brazil. It's not full of criminals or being destroyed. It's growing and developing. It's the last agricultural frontier whether that's what the world wants or not."

There is a seemingly endless supply of land in the Amazon and a seemingly endless demand for meat in the world.

Between 1997 and 2003, the volume of beef exports from Brazil increased from about 232,000 to about 1.2 million metric tons. The increased supply has led to a steadying of, even reduction in, beef prices in Brazil and the export market, making this source of protein more affordable. Additionally these exports have provided approximately \$1.5 billion of sorely needed foreign-exchange earnings for the country. Simpson reminded us that Brazil had become the largest exporter of beef in the world. "And this is why the United States doesn't want the Amazon to develop: competition."

Such arguments once were the defensive posturing of rapacious ranchers in the Amazon. Most observers thought that the problem would eventually evaporate: Brazil would tire of propping up an industry that was not only unprofitable but also internationally unpopular. The

ranchers would return to their homes in the south. But the ranchers who stayed, through years of trial and error with different types of pasture grass and with different cattle breeds, now present a more perplexing dilemma. When economic activity, dependent on the environment, becomes profitable, the issues are joined. In the 1970s, no one other than the generals could justify the massive deforestation caused by ranching. Today, the free market justifies it. **TAP**

Excerpted from The Last Forest: The Amazon in the Age of Globalization by Mark London and Brian Kelly. Copyright © 2007 by the authors and reprinted by arrangement with The Random House Publishing Group. London is a practicing attorney in Washington, D.C. Kelly is editor of U.S. News & World Report.

Deforestation and Global Markets

An Amazonian dilemma: Brazil has become a global producer, and China a global consumer.

BY STEPHAN SCHWARTZMAN AND PAULO MOUTINHO

FOREST CLEARING ON AMAZONIA'S expanding frontiers is not about desperate poor people clearing the forest to eat. It is about land sharks fighting it out over the best parts and forcing the little fish to pick over the remains. In the wake of forest clearing, ranchers, agribusiness, and small farmers become established, more forest is cleared every year—and the frontier moves on.

Deforestation per se is relatively easy to monitor and measure using satellite data, and Brazil's National Institute for Space Research (INPE) has been doing so accurately since 1988. Historically the rate of deforestation has varied with fluctuations in the economy and the weather, but the long-term average is about 6,900 square miles per year. The frontier got its start in the 1970s with the military government's geopolitically inspired roads, harebrained colonization schemes, and fat subsidies for cattle ranching, then cruised through the '80s and early '90s when placer gold mining and mahogany logging kicked in. In the first years of the millennium, however, the level of development rose dramatically. While Brazil's economic growth stagnated, deforestation climbed steadily to 10,500 square miles in 2004, the second highest year on record.

This dramatic and historic change came about when global markets began to reach out and touch the Amazon. China's soaring demand for soy (pig and chicken feed for an increasingly prosperous population) coincided with increased demand for soy in Europe following the outbreak of mad cow disease. Beef prices also spiked, and with a weak *real* (the Brazilian currency), Brazilian exports were cheap. Agribusiness exports from

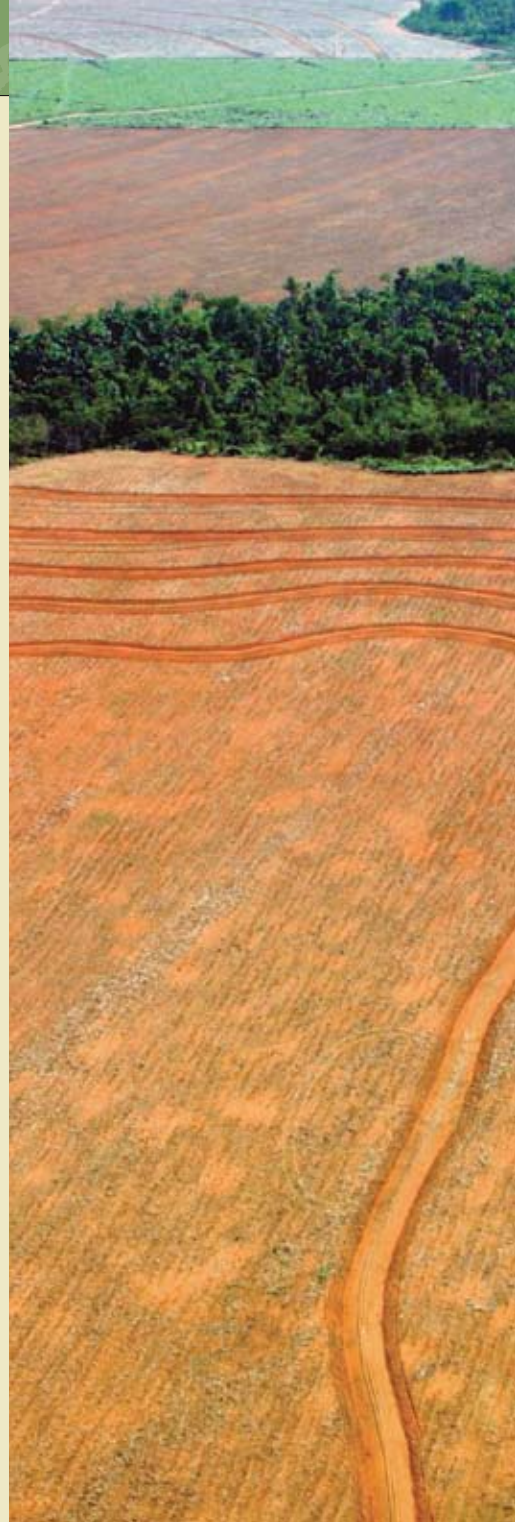
the Amazon brought Brazil record trade surpluses even with limp GDP—but drove deforestation higher.

Now it's showtime for Brazil's burgeoning participation in global commodity markets. Brazil could overtake the United States as the world's biggest soy producer. The Amazon now produces 2 million tons of soy a year. In 1995 it wasn't even 200,000. Brazil's cattle market is about to boom as well, though the country has yet to eradicate hoof-and-mouth disease in its cattle herd. Hoof-and-mouth disease rarely bothers people, but it wreaks havoc on livestock, so the United States and the European Union won't take fresh meat from the Amazon region of Brazil. However, the region is on the verge of being certified by an international, industry-financed watchdog, which will open up these rich markets. In the meantime, there is burgeoning demand from Russia and the Middle East. And since researchers have developed new strains suited to the hot, wet Amazon in recent years, soy in the Amazon has only just taken off.

There is plenty to be worried about here. Clear-cutting and burning ranch-sized swaths of forest is easy enough to detect from space. But there is a lot of other damage that is harder to see from a distance that is potentially just as bad. Selective logging, for rapidly dwindling supplies of mahogany and other high-end hardwoods, may affect as much land as is deforested every year. Even very selective logging (a tree per 2 acres or less) can have serious effects. Some forest-climate models predict that half the Amazon could turn into savanna by midcentury if global CO₂ emissions continue unabated.

Brazilian Big Business: New soy farms go global, feeding Chinese chickens, European cattle.

Oil development in Peru and Ecuador, the expansion of soy farming in Bolivia, and coca cultivation, cattle ranching, and civil war in Columbia are also threatening the ecological stability of the region, and in some cases, the lives and livelihoods of indigenous and local peoples. But because of Brazil's large-scale clear-



ALBERTO CESAR
AP IMAGES

The Shielded Guianas

The global economy discovers the most obscure corner of the rainforest.

BY MARK J. PLOTKIN

ASK SOMEONE THE LOCATION OF Suriname and you are as likely to hear “Africa” and “Asia” as you are “South America.” While Latin America is demographically dominated by Spanish- and Portuguese-speaking Catholics, the Guianas—from west to east the countries of Guyana, Suriname, and French Guiana on the northeastern shoulder of South America—comprise a curious mosaic left by British, Dutch, and French colonization with input from indigenous populations, as well as Africans, Hindustanis, Indonesians, Chinese, Jews, Lebanese, and even Laotians and Cambodians.

So off the beaten track is this corner of the world that even the origin of the region’s name is in dispute. According to most references, the term “Guianas” comes from an Amerindian word meaning “Land of Waters.” This is certainly untrue: in the dominant tribal dialects, the suffix “yana” means “people.” The name in fact represents an English corruption of a Spanish spelling of the name of a tribe living on the borders of Suriname, French Guiana, and Brazil. The correct name and spelling of this tribe is “Wayana,” but the early Spanish explorers wrote it on their maps as “Juayana” or “Guayana.”

For two reasons, all three Guianas are of enormous interest from the viewpoint of conservation and development. The first is their extraordinary amount of relatively pristine rainforest (they retain over 80 percent of the original forest cover). The second is their extraordinarily low population densities—among the lowest in the world. Suriname, with an area roughly that of the U.S. state of Georgia, has fewer people than Oklahoma City.

From a conservation perspective, these low population densities can prove both a blessing and a curse. The blessing is

that the abundance of natural resources is not being threatened or even destroyed by the survival needs of huge numbers of poor people, as in Haiti or El Salvador. The curse is that these small populations are potentially more susceptible to corruption. In an increasingly globalized world, in which small countries feel ever more marginalized and unable to compete economically on the global stage, there is increased temptation to sell off resources at bargain-basement prices.

In Suriname, for example, a recent influx of cheap foreign goods—particularly from China—has out-competed local businesses to the point where a business suit can be purchased for the same price as a bag of Brazil nuts. The death and dearth of local businesses in both Suriname and Guyana mean that people often have to work two, three, or four jobs to survive. The lure of easy money in the drug trade or the willingness to turn a blind eye to such illegal activities as uncontrolled gold mining becomes ever greater.

International tourism—and ecotourism in particular—is among the world’s fastest growing industries. Ecotourism in the tropics in the Western Hemisphere got much of its start in Suriname. Thirty years ago, when much of what we now call ecotourism fell under the category of bird-watching, three of the most popular destinations were Costa Rica, Peru, and Suriname. Political difficulties in the 1980s all but choked off this trade in Suriname for well over a decade, but ecotourism is now again on the rise across the Guianas. Given the relatively pristine state of their ecosystems, these countries are especially well positioned to capture an increasing share of global ecotourism revenue, provided they build the necessary infrastructure and protect the

cutting of the Amazon, no country has yet approached the magnitude of that country’s threat to the environment and its own people. **TAP**

Stephan Schwartzman is co-director of the International Program, Environmental Defense. Paulo Moutinho is research director of the Climate Change Program at the Instituto de Pesquisa Ambiental da Amazônia (IPAM).



Remote No Longer: This container ship docked in Paramaribo, Suriname carries Amazonian products to the global marketplace.

resources on which this trade depends.

Conservation has a long history in the Guianas: the first protected area was established at the spectacular Kaieteur Falls of Guyana in 1921. Suriname has the most extensive system of parks and protected areas of any of the three countries; the reserves are superb although the infrastructure is not. Beginning in 1947, Suriname's government was determined to establish a system of protected areas which would include a broad cross section of the many ecosystems found there, from rainforest to savannas and from granitic mountains to beaches where sea turtles nest. This system covers over 14 percent of the country and serves as a major draw for ecotourists coming to Suriname. Better management, infrastructure, and marketing would result in a sharply increased tourism industry.

Both French Guiana and Guyana lag far behind Suriname in their protected-area systems. Guyana has long been planning the establishment of a series of national parks, but much of this is still in the discussion stage. In 2006 French Guiana announced the establishment of the "Parc du Sur," an enormous tract that covers over a quarter of the country. Detailed management plans and a trained

guard force are still urgently needed.

While much of the discussion of conservation in the Western Hemisphere tropics (in general) and the Amazon (in particular) has centered on national parks, a long-overlooked component of rainforest conservation has been the lands of indigenous peoples. In Suriname, national parks and protected areas cover around 14 percent of the country, yet lands claimed by the Trio and Wayana tribes of the interior cover close to 50 percent. Furthermore, indigenous peoples depend on these forests and know them far better than any outsiders (including park guards and scientists). They clearly constitute underutilized allies for the protection of these ecosystems, but these indigenous peoples (and their friends in both the government and the NGO world) must do a far better job of making the case that they should be seen as the cutting edge of the conservation vanguard. As long as recognizing the land rights of indigenous peoples is seen by national governments as a sacrifice rather than as a conservation and sustainable-development opportunity, this type of "biocultural" conservation—protecting both biodiversity and indigenous culture—will be an

underutilized tool in the conservation toolbox. There are signs of hope: Guyana has already made some tentative steps in this direction by granting titles to land to indigenous communities, and both Suriname and French Guiana are considering similar proposals.

Nonetheless, all three countries stand at a conservation crossroads. For much of recorded history, these territories were largely cut off from much of the outside world. However, in a political world driven to compete for and capture natural resources—particularly with the advent of Brazil, China, and India as major players in the global marketplace—all three Guianas are receiving attention from old and new industrial superpowers in ways that were unimaginable just a decade ago. None of the Guianas have powerful local conservation lobbies, and the seductiveness of big monies for natural resources in depressed economies is very real. Mining and forestry are not new to these countries, but the scope of potential projects being discussed or even planned goes far beyond what has taken place before. **TAP**

Mark J. Plotkin is president of the Amazon Conservation Team.

The Search for Solutions

From indigenous people to carbon traders, concerned groups have stepped up the fight to save the Amazon.

BY ROGER D. STONE

BRAZIL HAS A PRODIGIOUS ABILITY to spend billions of dollars on Amazonian projects of little benefit to Amazonian people, flora, and fauna. In 1997 the federal government launched SIVAM (System for the Vigilance of the Amazon), a \$1.4 billion program to deploy a fleet of 33 airplanes, specially equipped with sensitive monitoring gear, along the nation's northern frontier. The principal purpose of this shield is to enhance national security by offering protection in an area almost entirely bereft of roads or people of any sort, let alone forked-tongued foreign devils.

Growing numbers of huge hydroelectric plants supply heavily subsidized power to aluminum smelters along Amazonia's rivers and to large cities in Brazil's southern region. Meanwhile, locals who need far less energy than is being supplied must cope with the environmental consequences of damming and flooding the once-pure rivers. Decomposing forests flooded to create the dams, some of which generate scant power in return for the damage they cause, emit vast amounts of methane, a far deadlier greenhouse gas than carbon dioxide. The cleanest airport terminal buildings this side of Switzerland, in Belém and in Manaus, (*p'ra Inglês ver*, as they say—for the English to see) lie in discouraging proximity to some of Brazil's most fetid slums. Poorly planned road projects open up new areas to deforestation and cattle ranching while doing little to improve the flow of goods to markets.

It would be an exaggeration to call such efforts part of a "grand design" for the region. The projects mentioned above, and others like them, were hatched and bred separately, not as part of an overall policy. At the outset of the presidency of Brazil's current leader, Luiz Inácio Lula

da Silva, who has expressed disdain for environmental issues, the environmentalist and anthropologist Mary Allegrretti designed, wrote, and circulated for the Environment Ministry a well-reasoned sustainable development plan for the region. With its ink still wet, it disappeared. Says the author: "There simply was not enough power in the Environment Ministry to convince the other branches of government to take sustainable development seriously."

In the absence of agreed-upon alternatives to conventional development models, it seems likely that Amazonian nations will in large measure continue to go in for conventional development. Road-building projects will open up new lands to logging, ranching, and oil, gas, and mineral exploration. Some projects are already in high gear. The advance of agricultural frontiers, with forest cutting and burning as inevitable accompaniments, will render the region ever more vulnerable to drought and to further devastation from fires. Airports will

"There's plenty to report other than gloom and doom," says Russell Mittermeier, president of Conservation International.

continue to close each burning season because of the thick smoke from the fires, and the smoke itself will contribute to global warming.

As long as good returns can be made from soy, logs, and cattle, there is little reason to doubt that the so-called Arc of Deforestation will continue its expansion into previously little-touched areas. Five percent of all soy produced anywhere now comes from Amazonia, and this number is bound to climb, assuming

the market continues to grow. It seems unlikely that Amazonian nations would miraculously shift gears and do what few societies anywhere in the world have ever done: control the human impulse to make way for farmland by cutting down trees.

Despite all the above, as we said at the outset of this report, there are reasons to think that, out of the jumble of conflicting forces now shaping the region's future, there will emerge a middle ground of adequate development and adequate protection. Several of this report's authors see advances, as well as the predictable retreats, toward the elusive nirvana of "sustainability." "There's plenty to report other than gloom and doom," says primatologist Russell Mittermeier, president of Conservation International and a three-decade veteran of Amazonian involvements. "I'm gung ho about the Amazon."

At the broadest level, the measured view is related to discerning Amazonia not as a huge, steamy, unbroken stretch of wet forest and endless rivers, but as a diverse mosaic. Its landscape is defined not only by the advancing agricultural frontier, but also by natural ecological divisions between rich and poor soils, mountains and flatlands, areas of moist and dry woodland, dense "jungle" and fertile *cerrado*. It has become popular among some academics, notably the archaeologist Anna Curtenius Roosevelt

and the geographer William Denevan, to remind audiences that before Amazonians succumbed to European guns and diseases during the conquest, they lived quite comfortably in substantial and sophisticated settlements and at quite high population densities. "Amazonia never was a virgin," author Mark London reminds us.

One reason for measured hope is that Brazil's government, while maintaining its strong ongoing interest in environ-

mentally destructive forms of development, has also taken some positive steps. The recently declared Amazon Region Protected Areas Program (ARPA) is off to an impressive start. Already some 88,800 square miles of land have been secured for strict protection or “sustainable resource use,” and the program is well along on the pathway toward achieving 10-year targets. The World Wildlife Fund (WWF) reports a long string of positive results since on-the-ground implementation began in 2003. ARPA, it says, is “exceeding expectations and delivering extraordinary conservation results.” For WWF, says Matt Perl, director for Amazon protected areas, ARPA is “definitely a flagship program.”

Complementing ARPA and other efforts to protect forest lands is a new Brazilian forest law, passed in 2005, that aims at curbing illegal land occupation, contracting out publicly owned lands to private loggers for sustainable management, and creating jobs. Though some are skeptical, others praise the move.

Says the International Tropical Timber Organization: “Legalizing the economic use of federal forest lands for the production of timber and non-timber products will facilitate the development of forest industry, increase employment and revenues, and generally improve conditions for local communities.” Another positive factor is the rise in concern for forest protection at the state level. Commendable state-level initiatives are under way, from Acre, in Brazil’s far west, to Amapá at the basin’s eastern edge. What started out as an innovative land certification and zoning program in Mato Grosso state in the early 2000s later fell victim to corruption by officials managing it and the arrest and dismissal on corruption charges of the state’s environment secretary. But this setback is said to have been overcome, with state governor and soybean king Blairo Maggi expressing ever greater desire for the region to prosper sustainably.

What these sorts of programs reflect is not just a change of heart at the level of

state governor—no candidate has recently posed for the TV cameras brandishing a chainsaw, as one did some years ago—but also the increase in the number, quality, and professional skills of less senior state government officials who have little use for forest destruction. These people are often found working hand in hand with members of a fast-growing network of Brazilian nonprofit organizations that are concerned with “socio-environmental” issues. In the 1970s Peru’s conservation movement essentially consisted of one dedicated aristocrat, Felipe Benavides, who ran an embryonic chapter of the WWF. Now hundreds of Peruvian environmental groups such as the well-established Peruvian Association for the Conservation of Nature closely monitor everything from marine turtle habitats to remote development schemes such as the potentially destructive Lower Camisea natural gas project in the remote Lower Urubamba Basin.

In Brazil, organizations of that sort began to take hold in the 1970s when pio-

BETTER GOVERNANCE

A group of scientists at the Federal University of Minas Gerais, the environmental research group IPAM, and the Woods Hole Research Center have built a satellite-data-driven model of future deforestation scenarios for the Amazon, based on how much has already been cleared and the well-documented historical relationship between building and paving roads and forest clearance. Their conservative, business-as-usual estimate: 40 percent of the existing forest cover of the Amazon (the whole basin, not just the Brazilian part) will be gone by 2050. Worse, no one knows if there is a tipping point, beyond which the ecosystem unravels irreversibly—or where it might be if there is one.

There are other possibilities. When the model is run assuming an expanded network of protected areas and better environmental-law enforcement (the “governance” scenario) it predicts 60

percent less deforestation than under “business-as-usual.” But is there any reason to think that a “governance” scenario for the future of the Amazon is more than an algorithm in the model?

Well, yes, there is. Consider the Indian lands in the Brazilian Amazon. Forty years ago, when the frontier was first opening, indigenous peoples had constitutional rights to the lands they traditionally occupied, which was virtually no land. Today they have over 20 percent of the Amazon officially recognized as theirs (two Californias, for about 250,000 people), and they mostly keep people out who they think are going to settle and clear forest. Indian lands are rife with logging and mining invasions, some are seriously threatened by projected hydroelectric power ventures large and small, but you only have to look at the satellite images to see that where the Indian land starts is where deforestation stops. In fact, all kinds of reserves—indigenous, sustainable use, parks—stop deforestation even in the middle of

active frontier areas. Creating an indigenous reserve or a park means people illegally deforesting and occupying land will not be able to get title to and sell it. Only incompetent land speculators would pay hired guns to occupy public land that’s not no-man’s land anymore.

All told, the government has created some 93,000 square miles of newly protected areas in the Amazon over the last four years, as well as unleashed a series of high-profile law-enforcement actions that put hundreds of illegal loggers and corrupt government functionaries in jail, issued millions of dollars in fines, seized mountains of timber and equipment, and shut down sawmills all over the frontier. This, in part, is responsible for about a 60-percent decline in deforestation from 2004 to 2006, along with a strengthened *real* (Brazil’s currency) and falling commodity prices. Repression of illegal activities has worked, but people are out of work, businesses are closing, and resentment is running high and growing along the Trans-Amazon and the BR-163

neer conservationists successfully agitated for the creation of national parks in Amazonia and elsewhere. The movement first became prominent during the late 1980s, when the violent death of rubber tapper Chico Mendes aroused worldwide concern, and achieved further visibility and prominence during the course of the 1992 “Earth Summit” in Rio de Janeiro. Brazilian NGOs have gone on to become fundamental in all aspects of Amazonian development. A number of them, including the environmental research organizations IMAZON and IPAM in Belém, have become important if only for the matchless quality of the information in their reports.

International nongovernmental organizations such as the Amazon Conservation Team, Conservation International, The Nature Conservancy, and the WWF have also become deeply rooted in Amazonia. Earlier on, those representing these sorts of groups were widely accused of being high-handed in their dealings with the local people they claimed to be

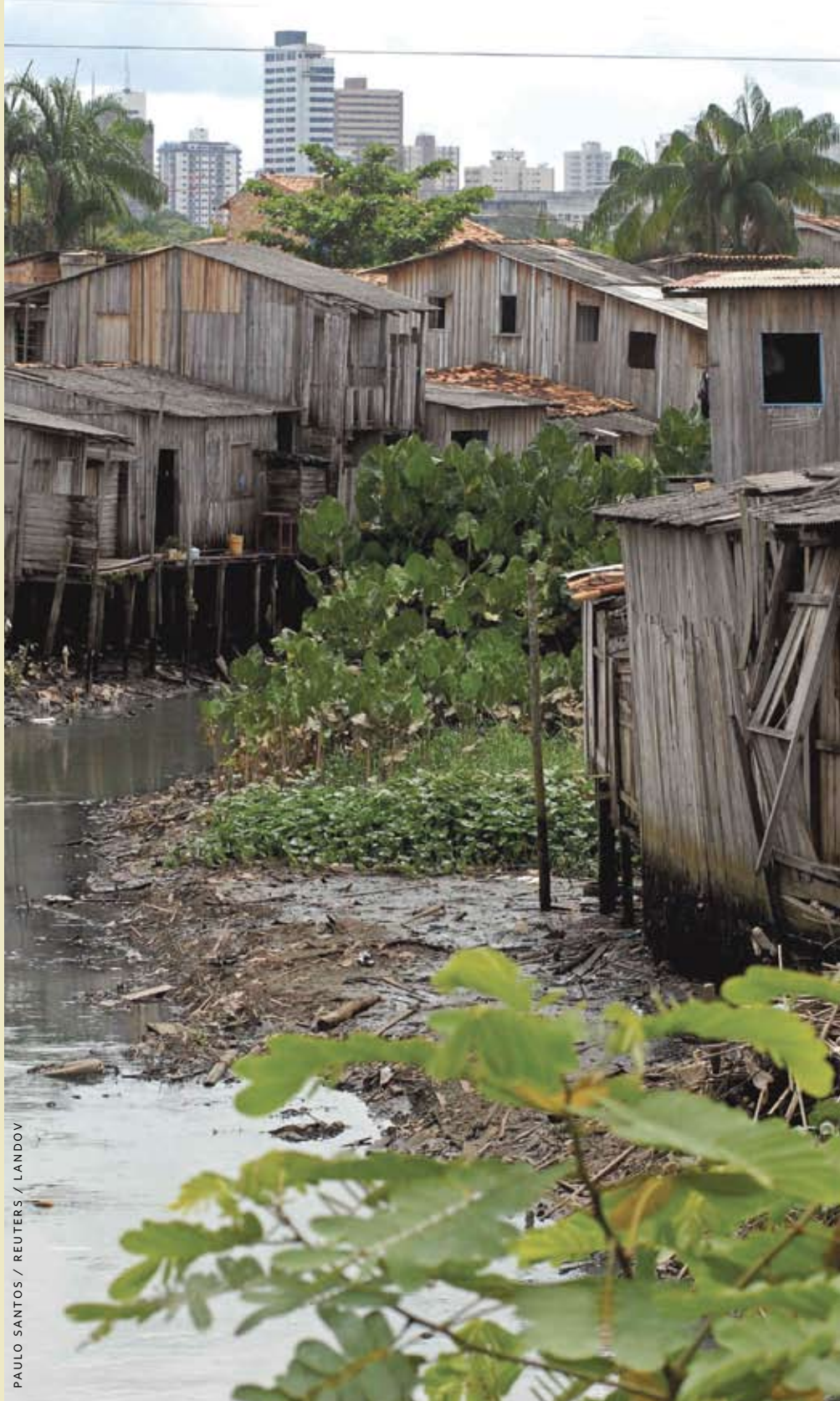
highways. In the absence of sustained commitment to implementation and enforcement of the newly protected areas, and above all, real economic alternatives for local people, mere law enforcement won't work for much longer.

The private sector is, however, beginning to wake up to eco-consciousness. The Earth Alliance, a cattle ranchers' and soy farmers' NGO, has adopted best-practices standards and satellite-based monitoring methods so that their members can show buyers that they're following the law and will keep on producing without clearing any more forest. There are several efforts to create industry-wide standards for soy, which may ultimately limit its impact. And Brazil's government has created a forestry-concessions law that, through better monitoring and enforcement and by making sustained-yield forestry more competitive, may end illegal logging altogether.

—STEPHAN SCHWARTZMAN AND
PAULO MOUTINHO

The Urban Amazon:

More and more citizens live not in the countryside, but in city slums such as this one in Belém.



PAULO SANTOS / REUTERS / LANDOV

trying to help, and of favoring the well-being of wildlife over human needs. Foreign scientists suspected of being spies had trouble getting visas allowing them to do their research. Xenophobic attacks persist, but now the international NGOs work in far smoother partnerships with local groups, and they have done much to generate funds from abroad to sustain their activities.

With national treasuries providing scant funds for Amazonian protection, and most of these allocated to policing functions, the international NGOs have played a prominent role in generating fast-mounting sums of international public and private financial support for more progressive activities. Where funding for Amazonian conservation was once the province of a few large U.S. foundations, now there are many bilateral and multilateral donors, including the World Bank-managed Global Environment Facility (GEF).

An impressive example of what the nongovernmental sector can accom-

plish even with little direct support from any official agency is to be found in and near two mid-Amazonian regions called Mamirauá and Amana, now officially declared Sustainable Development Reserves. Here, starting in the early 1980s with inspired leadership from the late José Márcio Ayres, a pioneer Brazilian primatologist, the Wildlife Conservation Society (WCS) has achieved notable success in helping local fishing communities create sustainable and profitable stocks for many species that could easily become overharvested. "Thanks to science-based fishing quotas," reads one WCS report, "populations of the commercially valuable pirarucu have dramatically increased since the early 1990s and the reserves' fishermen are earning greater profits than ever before."

Ground has also been gained, some feel, through a major demographic shift—the concentration of the once largely scattered Amazonian peoples into towns and cities, where some 70 percent of them now reside. While Ama-

zonian urbanism has created new problems of poverty, health, and sanitation in mushrooming shantytowns, the shift has also lessened the pressure of advancing swidden agriculture into pristine forest areas. How much this shift has helped remains uncertain, for many of the formerly "rural" people now live in towns of 50,000 to 100,000, of whom many continue to carve illegal roads out into the forest and practice slash-and-burn farming. Notably, though, much of the population that is truly "rural" consists of still-isolated groups of indigenous people who are well known as the region's best forest stewards. Some of these groups are severely harassed by environmentally irresponsible oil and gas exploration as well as by intrusive ranchers, miners, and loggers. But encouraging progress has been made, in Brazil at any rate, in demarcating the large amounts of land to which these groups have constitutional rights. And they themselves have learned much about using modern technologies to monitor and protect their lands.

GRASSROOTS SUCCESSES

IT'S NOT JUST INDIANS AND TRADITIONAL communities like rubber tappers and Brazil-nut gatherers (who invented the concept of "extractive reserves," protected areas they inhabit and use sustainably) who are proposing forest protection in the Amazon. Between October 2004 and last year, the Brazilian government created about 301,000 square miles of newly protected areas right across the most volatile, violent frontier in the Amazon—the Terra do Meio ("land in the middle"), between the Xingu and Iriri rivers in southern Pará state. These new parks, national forests, and extractive reserves connect two already existing blocks of indigenous territories, forming a continuous corridor of protected forest of 108,000 square miles, an area the size of the United Kingdom, inhabited by about 12,000 people (mostly indigenous people of various ethnicities). This is conservation on a scale you can see from the moon.

The interesting part is that it wasn't

the government or traditional enviros who dreamed up the Terra do Meio reserves mosaic. It was the Movement for the Development of the Transamazon and the Xingu (MDTX), a network of over 100 small grassroots groups comprised of farmers and colonists based along the Trans-Amazon Highway. After nearly 20 years of fighting to get the government to deliver some of the support and services they were promised when they agreed to settle along the road in the 1970s, the family farmers' movement came to the conclusion that runaway illegal occupation of public lands and deforestation by warring mafias wasn't compatible with their vision of regional development based in sustainable family farming. They formulated a proposal for the reserves mosaic and took it to the Environment Ministry. The Ministry contracted the Instituto Socioambiental, a prominent nongovernmental organization, to survey the region and put together a technical proposal. After American nun and activist Dorothy

Stang was assassinated for her environmental work in Brazil in February 2005, the government created the core areas of the mosaic. Last year the government annexed another 26,000 square miles of protected areas to the corridor.

—STEPHAN SCHWARTZMAN AND
PAULO MOUTINHO

THE FAMILIAR BRAZIL NUT PROVIDES AN interesting case study. Over several hundred years, the trees that bear the nut grow to impressive heights of some 165 feet in groves found in the natural forest. Pollination can be accomplished only by the Euglossine orchid bee. The grapefruit-sized fruit containing the nuts can be opened when it falls to the forest floor only by rodents called agoutis, which carry them away from the parent tree and bury them for safe storage. Those not eaten by the agoutis have a chance to germinate into seedlings.

Because of the intricacies of this reproductive biology, Brazil nut trees have never been successfully raised in

As well, scientists continue to make progress in inventorying and cataloguing the basin's biological wealth, documenting the effects of deforestation on the biota, and giving planners and policymakers an ever more solid scientific basis for their actions. The proliferation of scientific knowledge, from a very low baseline not many years back, is truly impressive.

Ultimately, what must be understood is that the region's future lies irrevocably in the hands of the nations that own it. No amount of arguing that its precious biodiversity and major role in the global climate cycle make the basin "ours" will prevail over local claims of sovereignty, even though Amazon-provoked climate change may affect farmers as far away as Africa and the U.S. midwest. So what can we in the United States do about it? A lot. Rather than practice swaggering unilateralism or threatening retribution in reaction to "bad" choices by Amazonian nations, we would be better advised to work sensitively through established

channels of communications in hopes that the result will be policies and practices that work for us all, protecting much of the forest while also addressing regional economic goals.

However global the adverse effects of deforestation, the region's future lies in the hands of the nations that own it.

The international community of concerned citizens, governments, foundations, and aid donors can encourage these sound approaches to future Amazonian development:

- Work hard to create viable forest carbon finance mechanisms that will function effectively at the state and local level as well as nationally and globally, and pay Amazonian people and nations well to store carbon for everyone's benefit.

- Improve efforts in developed countries to control drug use, treat addiction more as a medical than a criminal matter, and promote economically viable alternative farming opportunities rather than spraying coca fields with deadly toxins. Improve the environmental and social quality of anti-narcotic initiatives.

- Increase support for truly sustainable development initiatives in the basin, particularly those that strengthen the hands of indigenous communities with vested interests in protecting the standing forest and those that improve the livelihoods of other Amazonians with traditional artisanal skills.

- Systematically alert media to examples of egregious environmental performance by oil companies and other polluters extracting natural resources from the region. Encourage application of the "polluter pays" principle.

- Alert U.S. and other executive directors at the World Bank and Inter-American Development Bank to environmental and civil-society pitfalls from major development projects in the pipeline for board approval.

- Do everything possible to limit public and private purchases of Amazonian hardwoods to those that have been certified by the Forest Stewardship Council or

other well-qualified international agencies to have been sustainably harvested.

- Through scholarships and direct support for capacity-building university programs in environmental science, man-

agement, and technology, help Amazon nations build on the considerable strength already achieved in training much-needed professionals in these fields.

- Work closely with Amazonian nations to design, support, and expand scientific research efforts in the region, especially those directed at analyzing the consequences of biodiversity losses and of regional and global impacts from global warming.

- Help generate expanding financial resources and management tools to enable Amazonian governments to demarcate, declare, and manage enlarged networks of protected areas within the basin's borders.

- Seek opportunities to encourage large industrial corporations that are increasingly practicing "green" production methods at home to apply to their Amazonian operations the rigorous standards they claim to uphold internationally.

THESE ARE SOME OF THE POSITIVE FORCES and ideas at work in the basin, aspects too often ignored or underemphasized in reports that focus sharply on disaster areas where lawless chaos prevails and forest destruction is rampant. Perhaps, even when you add up all the constructive ideas and projects of quality, you still have no match for the power of easy and too-often crooked money. "It's a territory in dispute," says Marcio Santilli of the influential Instituto Socioambiental. "And it's a very difficult situation now because, in spite of its gravity, there is no common or general interest in positive solutions."

But at the very least, there are fewer places to hide. Global warming has put Amazonia back on Page One. **TAP**



Harvesting Sustainably: The Brazil nut

plantations. Castaneros harvest the nuts and sell them to local shelling factories. Working in the highly biodiverse western Amazon, where Peru, Bolivia, and Brazil intersect, the U.S.-based Amazon Conservation Association has done much to protect the Brazil nut groves from heedless destruction, for the benefit of the forest and also the harvesters. It describes the work as "an excellent opportunity to develop a positive synergy between conservation science, policy, and forest management."

—ROGER D. STONE

The Role of the Public Sector

Concerted governmental policies to protect the forest have been few and far between.

BY ANTHONY HALL

IT IS ONLY WITHIN THE LAST FOUR decades that governments sharing the Amazon Basin have taken the region seriously. Ignored for centuries as a distant, exotic outpost, Amazonia is now called upon to serve a number of diverse and often contradictory development agendas. These range from economic growth and national integration to biodiversity conservation and the mitigation of global climate change.

Settlement has invariably been accompanied by problems of deforestation, environmental destruction, and land-use conflict. These consequences have been most marked in Brazil, which occupies three-quarters of the Amazon Basin and has the longest history of occupation, but they are becoming increasingly apparent in Bolivia, Peru, Colombia, Ecuador, and Venezuela. Public policy makers thus face major challenges in attempting to protect Amazonia's fragile ecosystems from these pressures while meeting the livelihood needs of its 25 million-plus citizens.

CONSERVING THE AMAZON

Conservation of natural resources, of which Brazil is a leading proponent, has been the most important official environmental policy pursued in the Amazon Basin. Just under 40 percent of Brazilian Amazonia (over 837,000 square miles) presently enjoys some form of government protection in nearly 300 "conservation units," such as national parks, national forests, biological reserves and extractive reserves, as well as indigenous areas.

When fully implemented, the Amazon Region Protected Areas Program (ARPA), the world's largest tropical conservation program, will increase this by a further 70,000 square miles. Tumucumaque National Park alone covers 15,000 square miles and is the world's

largest such protected area, accounting for 1 percent of Brazil's rainforest. Peru has over 60 protected areas, most in the Amazon, making up 15 percent of its national territory, while the figure for Bolivia is over 10 percent. In Brazilian Amazonia, landowners are required to maintain 80 percent of their properties as standing forest or "legal reserve." Brazil's advanced system of satellite surveillance of the Amazon (SIVAM) is designed to support environmental policing operations, among other activities.

Although conservation has proved to be the most effective bulwark against advancing frontier settlement in the Amazon, it is fraught with problems of enforcement. Both the Brazilian federal environmental control agency (IBAMA) and state-level environmental control agencies are generally poorly resourced and understaffed. In 2005, for example, IBAMA allocated 850 officials to police a region of 1.9 million square miles, the equivalent of one staff member for almost 2,300 square miles. Furthermore, only a small proportion of fines (3 percent according to one study) imposed by IBAMA is ever collected. Regular allegations of corruption involving officials and the illegal logging industry have undermined the agency's reputation. IBAMA also routinely comes under strong political pressure to relax regulations—by the logging sector most notoriously—and the powerful pig-iron smelting industry in Pará state, which relies heavily for its profits on charcoal supplies obtained illegally from standing rainforest. The effectiveness of such "command-and-control" tactics is also undermined by the fact that indigenous reserves, national parks, and other protected areas suffer from illegal invasions at the hands of land grabbers, gold miners, and loggers.

Yet despite these problems, polic-

ing of the forest can make a difference where resources are applied intensively and backed up by strong measures on the ground.

SUSTAINING THE AMAZON

In parallel with the conservation agenda, and following principles espoused in the Brundtland Report (1987) as well as the Earth Summit (1992) held in Rio de Janeiro, efforts have been made to apply principles of sustainable development in the Amazon—combining conservation with environmentally sound economic activities capable of supporting local populations. The murder in 1988 of Brazilian rubber tappers' leader, Chico Mendes drew international attention not just to the rainforest but to forest-dwelling populations whose survival depends on the nondestructive use of natural resources. Policy making, it was acknowledged for the first time, had to take into account their interests as part of any development or environmental plan for the region.

Some new models of development are adapted from traditional and indigenous land uses, which integrate local economic activities with preservation of the region's natural capital. A sustainable development plan is being implemented along the infamous BR-163 Highway in Brazil, which links soybean production areas in Mato Grosso to grain export terminals on the Amazon River.

These are encouraging ventures, but they demand new skills and support facilities that are often difficult to acquire in the short term. The "Amazon factor," a combination of adverse regional conditions, is often blamed for frustrating such development efforts. These challenging elements include: harsh physical and climatic conditions; poor infrastructure in terms of power supplies, roads, communications, credit and technical assistance; distance from urban markets; lack of organizational and managerial capacity at the grassroots level; the perishable nature of tropical products; low standards of quality control; and, not infrequently, poor planning that takes no account of the economic feasibility of new local enterprises but relies rather on



Fragile Governance: IBAMA agents seized these mahogany logs in the Xingu river in Pará state, but are often stretched too thin for effective monitoring.

undue optimism sustained by financial aid from well-meaning donors.

Overseas development assistance has been instrumental in supporting the design and implementation of major environmental policies in the Amazon, especially by reconciling more traditional conservation goals with the principles of sustainable development. The \$428 million Pilot Program to Conserve the Brazilian Rain Forest (PPG7), launched in 1993 and administered through the World Bank, was funded by the European Union, Germany, France, the United Kingdom, the United States, and Japan. It has supported a range of conservation and sustainable development activities such as extractive reserves, agroforestry, development of science and technology in the Amazon, decentralization of environmental management to the state level, and a highly successful program to demarcate indigenous reserves.

The Global Environment Facility, set up in 1991 as the institutional arm of the Convention on Biological Diversity,

whose funds are channeled through the World Bank, United Nations Development Program, and United Nations Environment Program, has been pivotal in supporting conservation activities to the tune of over \$80 million. The Inter-American Development Bank has supported many Amazonian projects in fields as diverse as sustainable furniture manufacture, ecotourism, and the marketing of forest tree products. In addition to these multilateral donors, bilateral support for Amazon development has come directly from U.S., European and other governments.

Yet despite this international commitment to promoting sustainable development in Amazonia, contradictions are sometimes apparent. Within the World Bank Group, for example, environmental standards are not uniformly applied. The International Bank for Reconstruction and Development, which deals with governments, has increased its support for the region and is careful to apply strict environmental safeguard policies.

Yet the private sector arm, the International Finance Corporation (IFC), has a less demanding set of rules. Recently, the IFC came under heavy fire for financing major cattle and soybean enterprises in Brazilian Amazonia, activities normally associated with deforestation, without adequate screening against potentially harmful environmental impacts.

IS AMAZONIA GOVERNABLE?

In Amazonia governments are faced with competing agendas for the environment and for the economy that must somehow be reconciled, a difficult task even with the best political will in the world. Public policy optimists often assume that the forces driving Amazon deforestation will readily respond to official regulation. Outright conservation and intensive policing can indeed be effective if properly executed and may halt the advance of ranching, farming, and logging. Yet the uncomfortable fact is that such measures are relatively ineffective when viewed within the wider scheme of

things. Destructive forms of land use may simply be diverted towards unprotected areas. Policing and law enforcement face formidable logistical challenges. Furthermore, the limited scale and as yet unproven long-term viability of most sustainable development projects imposes further limitations. This situation is not helped by the fact that governments themselves tend to invest very little of their own money into these alternative approaches, often relying instead on overseas aid to foot the bill.

This is the crux of the matter. Domestic funds are usually reserved for the more “serious” business of supporting mainstream, export-oriented economic development, such as ranching, logging, mining, or soybean farming. Much evidence suggests that forest loss is influenced not so much by environmental policy *per se* as by these wider economic activities and the market forces that drive them. Deforestation rates increase during periods of rising commodity prices when investments are profitable. Such trends are reversed when prices fall or when successful economic stabilization



Carbon Count: Scientists gather data on Amazonian forest carbon.

THE ECONOMICS OF STORING CARBON

ULTIMATELY, UNTIL THE STANDING forest is worth more than what it's cleared for, large-scale conservation is probably a losing fight. This is potentially where the international carbon market comes in. The Bush administration has done a good job of convincing Americans that the Kyoto Protocol has failed (even though its effects cannot be measured yet). The little secret they hope no one will notice is that the global carbon market, non-existent two years ago, has already generated \$30 billion in trades.

The value of the carbon stored on an acre of Amazon forest is already more than most of the things people clear forest for. All of a sudden lots of companies with real money to invest are figuring out how to buy forest carbon, despite the fact that there are officially no rules for trading it in the European or Kyoto Protocol

markets. Until only a few years ago, Brazil was solidly against even talking about forests in climate negotiations. Now it has one of the proposals on the table for how forests can get into the system.

—STEPHAN SCHWARTZMAN AND
PAULO MOUTINHO

A KEY ELEMENT FOR THE FUTURE OF these areas will be the degree to which the economy supporting their human populations can be transformed to rely on the value of the environmental services of standing forest, rather than the sale of traditional commodities like timber and beef. I first proposed this transformation in 1985, initially as a complement to management of forests for timber and nontimber forest products like rubber and Brazil nuts, and since 1992 as a more far-reaching redirection of the rural economy in the region. “Environmental services” is now a household word, and is reflected in a

variety of federal and state initiatives in Brazil and elsewhere. The Amazon forest provides many environmental services, roughly grouped into biodiversity maintenance, water cycling, and protection against increasing global warming.

It is this last service that has progressed the farthest in terms of international negotiations, thanks to the Climate Convention of 1992 and the Kyoto Protocol of 1997. Sooner or later there is bound to be a break in the political barriers that now block actions on the scale needed to deal with the problem. When this happens, financial flows to maintain the Amazon forest will be part of the solution, along with the obvious need to desist from the profligate use of fossil fuels. The first priority for Amazonia must be creating the institutional mechanisms to use this resource so that it serves to maintain both Amazonia's traditional population and the forest.

—PHILIP M. FEARNSIDE

takes place, as occurred in Brazil during the mid-1990s, for example, when land speculation became less attractive.

Other adverse ecological impacts are due directly to government action or connivance with private interests. Traditionally, government subsidies in Brazil and neighboring countries have strongly supported cattle ranching, mining, and other

to legal challenges, was the industry brought under some degree of control.

Brazil's \$240 billion Accelerated Development Plan emphasizes investments in the energy and transport sectors for Amazonia, but its proposed hydro-power schemes in western Amazonia have been heavily criticized for ignoring environmental safeguards. In response

project licensing and facilitate the execution of infrastructure projects.

In view of these competing economic and environmental agendas, it is not clear that public policy as such can ever play a role in seriously shaping Amazonian development along more ecologically friendly lines. Such progress will necessitate a more integrated, cross-sector approach on the part of governments than has been the case so far. Authorities must be capable of coordinating planning and action across a range of ministries in order to encourage harmony and compatibility of development objectives with environmental goals. For this to come about, however, it will also require stronger political and financial commitment on the part of governments working in collaboration with civil society and backed up by clear and consistent policies toward Amazonia on the part of international development organizations. **TAP**

Anthony Hall, professor of social policy at the London School of Economics, has more than three decades of experience working in Brazil and Amazonia.

In a 24-hour period, deforestation releases as much CO₂ as aircrafts flying 8 million people from London to Miami.

commercial enterprises. One example of blatant official disregard for Amazonia's environment is oil production in Ecuador's Oriente province. As the country's major source of export revenue, during the 1970s and 1980s oil production rose rapidly, and foreign companies were granted virtually free license to pollute. Only when the indigenous movement rose up to place a check on exploration and drilling operations, and companies such as Texaco were obliged to respond

to such objections, President Luiz Inácio Lula da Silva vociferously complained recently that national development was being compromised by catfish—a reference to the dangers posed to migrating fish by dam construction, a phenomenon highlighted by environmentalists. In another sign of governmental frustration with environmental campaigners and regulatory bureaucracy, the federal environmental control agency (IBAMA) was restructured this year to streamline

STUDIES ATTRIBUTE AT LEAST 20 PERCENT of the increase in carbon dioxide (CO₂) in the atmosphere to deforestation. In a 24-hour period, deforestation releases into the atmosphere as much CO₂ as aircrafts flying 8 million people from London to Miami.

So why have we not done more about curbing deforestation in order to slow down climate change? One of the disappointing flaws of the Kyoto Protocol that was ratified by many nations is that its system of carbon credits does not give credit for avoided deforestation, reforestation, and afforestation. The developed world must wake up to its duty to compensate the developing nations for avoiding deforestation through the creation of large protected areas of forest and to finance reforestation and afforestation. It is vital that the successor to the Kyoto Protocol include such provisions. We need a system that allows carbon credits in all the world's markets

for sustainable management of existing forests, whether the forests will serve as reserves for conservation of biodiversity or for sustainable production. In order to make a system of carbon credits for avoided deforestation, it will be necessary to substantially increase the amount of sustainably managed forests, since we cannot expect the Amazon countries to leave their entire forest area untouched and totally unproductive.

It is also important to establish a system of carbon credits for reforestation and afforestation. There are now various initiatives to show that commercial returns can be generated by investment in sustainable reforestation and afforestation. A leader in this area is the company Sustainable Forest Management, which uses venture capital to create new production forests and preserve existing forests.

We are intimately connected to the fate of the Amazon rainforest, whether it be as a result of the products we use

or of our unwillingness to pay for the environmental services the region supplies to the whole world. Every day we are getting closer to total environmental disaster, and it is to a large extent in the hands of the developed world to decide whether or not we are willing to pay subsidies to those countries that are protecting the whole world ecosystem through maintaining their forests. The solution to global warming cannot just be technological. It will also have to be biological—finding ways to maintain the essential environmental services that Amazonia and other areas of forest contribute to the support of life on Earth.

—PROFESSOR SIR GHILLEAN T. PRANCE

Professor Sir Ghilleen T. Prance, a veteran Amazonian botanist, has undertaken 16 expeditions to the area, during which he collected more than 350 new species of plants. He was Director of London's Royal Botanic Gardens, Kew from 1988 to 1999.

Deforestation and Poor Amazonians

Brazil's forest dwellers, often its best stewards, are trying hard to make a living from the standing forest.

BY MARY ALLEGRETTI

THE LAST 30 YEARS OF DEVELOPMENT in the Amazon have proven an essential rule: Whenever social groups depend on forest resources—for economic and social development—they will work to protect those resources. And the opposite is also true: If the market does not value the natural products of the forest sufficiently, the poor migrants who settle there will cut down the forest and use the land for farming or raising cattle.

The latter is what happened in most of the countries of the Amazon Basin between 1970 and 1990, when military regimes stimulated the transfer of poor groups to remote areas. An inevitable consequence of these movements of poor people into the Amazon was increased deforestation. Most often the migrants would clear the forest, sell the timber, plant for subsistence for one or two years, and then sell out to medium- and large-sized producers. With this money they advance further into the frontier and repeat the same cycle.

But this cycle is not irreversible. In some areas of the Amazon region, small farmers have realized the need to change the system, so that the forests themselves help produce income, and in so doing, the farmers are motivated to help protect the forests.

Many of the former migrants who today protect the Amazonian forest left the northeast region of Brazil to work in the Amazon region during the rubber boom at the end of the 19th century. When cultivated rubber from Southeast Asia replaced Amazonian rubber on world markets at the beginning of the 20th century, most of the workers left the Amazon and became poor migrants or marginalized city-dwellers. But rubber's

decline did not completely disorganize the social life that had been built around it: Those who remained in former rubber areas found opportunities to market other naturally occurring Amazonian commodities, including the Brazil nut, oil from the copaiba tree, and, more recently, forest products like the oil and fruit of the assai and artisan craftwork made from native trees and plants. Forging survival from the products of the forest, the former rubber tappers created a genuine forest society in the Amazon region.

In the 1970s, the Brazilian military introduced and made major investments in a new model of Amazonian development based not on sustainable use of resources from the standing forest but on farming, mineral activities, colonization, and large infrastructure projects. One result was conflict, often violent, between those who were already there, depending on the forest for their subsistence, and newcomers who saw the forest as an obstacle to farming, ranching, and other government-supported activities.

Gradually the rubber tappers became aware of their rights to lands that they had been occupying for generations. In 1976 in the state of Acre in the western Amazon region, they found a way to defend their way of life. Known as the *empate*, a nonviolent form of resistance, this was the first social movement to defend the forest. It was led by Chico Mendes, a rubber tapper and the president of the Union of Rural Workers of Xapuri (a city located near the border between Acre and Bolivia). In 1985 it convened similar alliances elsewhere in the Amazon region. With support from national and international nongovernmental organizations, the first National Meeting of Rubber Tappers was

organized in Brasília. The meeting had two important results: the creation of a representative entity, the National Council of Rubber Tappers, and the formation of a kind of environmental land reform specifically designed for the forest populations, entitled the Extractive Reserve, or *Resex*.

The *Resex* program, and others developed since (including Reserves of Sustainable Development), protect land used by local populations whose subsistence is based on harvesting products from the forest, complemented by agriculture and the farming of small animals. The program has as its basic objective to shelter the ways of life and the culture of the forest-dependent populations whose existence is based on sustainable systems of exploitation of the natural resources (sometimes including logging) developed through generations and adapted to local ecological conditions.

Between 1990 and 2007, 81 such units of land were created encompassing 81,000 square miles, or 4.29 percent, of the Brazil's Amazonian region, benefiting more than 200,000 people. One such unit was founded in 1997 by Brazil's Amapá state: the 32-family Rio Iratapuru Sustainable Development Reserve, located at the mouth of the Iratapuru river, a tributary of the Jari River. This community has undergone a profound transformation. Families that were isolated from one another joined together to form a town. They created a cooperative to organize marketing of the Brazil nut, a staple of the local economy. They also introduced two manufacturing facilities, one to make biscuits and another one for vegetable-oil processing, and formed a partnership with Natura, a Brazilian cosmetics company, to share knowledge about and possible benefits of the region's resources.

Similar work has been undertaken by Project RECA, the Joint Economic and Accumulative Reforesting Effort, an association of 364 families located between the Brazilian states of Acre and Rondônia in the western Amazon. RECA was formed in 1989 by migrants who were living in the region under extremely precarious conditions: a malaria epidemic



After Deforestation: As farms fail, poor rural Amazonians seek new ways to eke a living from the land (here, in the Brazilian state of Rondônia).

and a lack of infrastructure, schools, and health-care services. After several years felling and burning trees, they realized that the soil would not support agriculture for many years, so they looked for a more sustainable system. They decided to form an agroforestry system based on the fruit of the cupuaçu tree, the pupunha (the palm that produces palm hearts), and Brazil nuts—all resources occurring naturally in the forest. In 1993 they opened a factory to process the cupuaçu, a member of the chocolate family, and started to benefit not only from the pulp, used to make a beverage and other foodstuffs, but from the seed, extracting the oil and making chocolate-like candy. In 1995 they launched commercial production of pupunha seeds, and in 1999 they began to export the seeds as well as palm hearts. The farmers of RECA have an efficient and democratic system of organization and of management that is considered a model in the whole Amazon region.

A group of small producers in a variety of other areas in the Brazilian Amazon has worked out an innovative

development policy called Proambiente (Program for the Socio-Environmental Development of Family Production). Proambiente's initial assumption is that qualitative changes are needed to achieve sustainability and that the entire cost of making those changes should not be fully borne by producers since the entire society benefits from the environmental services that are generated. The program advocates six environmental goals: reducing deforestation, absorbing atmospheric carbon, recovering hydrological functions of the ecosystems, conserving land, preserving biodiversity, and reducing the risk of fire. The program is being developed in 11 zones in the Brazilian Amazon and has been defined as national public policy and incorporated into the government's budget. Though Proambiente is still a young program, it represents a radical change in the model of Amazonian colonization.

In my 20 years of experience, it has become clear to me that forest destruction need not be the only approach to the Amazon's natural resources. Others based on politics, innovative resource-management

practices, and socio-environmental governance have emerged as well, resulting in more sustainable uses of the forest.

But agrarian conflicts persist, and the creation of protected territories is not enough to secure a sustainable future for the tropical forests and their inhabitants. For one thing, the fruits of the forest do not always command high enough prices to support the newly environmental farmers. Without a serious change in market conditions, it will be necessary for the government to intervene on behalf of indigenous and traditional communities. Securing a sustainable future for the Amazon region, with the added prospect of climate change, requires policies that remunerate the farmer and the forest. **TAP**

***Mary Allegratti**, former secretary for the Amazon in Brazil's environment ministry, is a Brazilian anthropologist and independent researcher. From 1981 to 1988 she worked with rubber tapper Chico Mendes, helping define the national concept of protected areas for traditional communities.*

Whither Amazonia?

A new generation of forest-friendly political leaders has emerged in parts of the Amazon.

BY THOMAS E. LOVEJOY AND YOLANDA KAKABADSE

THE AMAZON IS NO LONGER THE overlooked region of its constituent countries or the remote region of the world that it once seemed. Vast as it is, it is clearly not impervious to human impact. Indeed, in this era of globalization, the Amazon is vulnerable, economically and environmentally, to outside forces and can, in turn, affect other parts of South America and the world.

Some 25 years ago the Brazilian scientist Eneas Salati shattered the age-old paradigm that vegetation is the consequence of climate and, in reverse, has no effect on climate. He demonstrated elegantly that the Amazon literally generates half of its own rainfall within the basin. That led, of course, to concerns about the potential of deforestation to cause the hydrological cycle to degrade.

Now we know that when the moisture-laden, westward-moving Amazonian air masses hit the high wall of the Andes, a significant fraction of the moisture is deflected south and provides rain to southern Brazil and northern Argentina. So now we understand that even if the Amazon as a forest—and as probably the greatest repository of biological diversity on Earth—is not viewed as important by some in southern Brazil, the Amazon as a rain machine is crucial to agribusiness and the production of hydropower.

We also know that the Amazon can be affected climatically by things that occur beyond Amazonia. In 1997 El Niño (which 30 years before had been considered a local phenomenon off the coast of Peru) showed that it not only can reach across the Pacific to cause drought and fires in Southeast Asia but that it also can reach across the Andes and cause drought on the eastern side of the continent, including in northeast Brazil and the Amazon.

In 2005 the Amazon suffered the most severe drought ever recorded. It was linked to changes in the Atlantic circulation and was completely independent of El Niño. This is probably a preview of what climate change could bring. The Hadley Center's global-climate model predicts drought and Amazon dieback if greenhouse-gas concentrations increase to double pre-industrial levels—around 560 parts per million (ppm). (We are currently at 385 ppm.)

Recent analysis indicates that world tropical deforestation contributes more than 20 percent annually to the net increase of CO₂ globally. Brazil is one of the largest contributors to that, almost entirely due to Amazon deforestation and burning. Of course it makes no sense for the Amazon to be contributing in this way to its own risk from climate change.

The Amazon River system is rich in fish diversity—3,500 species, more than in the entire North Atlantic—some of

The developed world must wake up to its duty to compensate Amazonian nations adequately for avoiding deforestation.

which are very important for food, and some valued by the ornamental-fish trade. More than one fishery is showing signs of serious overfishing. Deforestation in headwaters can create serious problems downstream, and some fish species literally swim the length of the river system in the course of their lives. All of these links need to be integrated into a policy for a sustainable future for Amazonia, and that can only be achieved through policies that connect from the basin to the national level, and, ultimately, to the global level. The Amazon

has to be managed as a system; anything short of that is bound to fail. The Amazon Cooperation Treaty (ACT) is a very useful instrument in this regard, especially now that it has a permanent secretariat in Brasília.

In the meantime, however, deforestation continues in almost all the Amazon countries. At the moment, Brazil, which does a far better job of measuring Amazon deforestation than the other countries, has made some serious progress in reducing the rate. Nonetheless, Amazon deforestation is getting perilously close to the tipping point where the hydrological cycle will irreversibly degrade. But the exact tipping point is unknown, and defining it is, in fact, a much more complicated problem than it might seem, depending as it does on the impact of deforestation and different kinds of replacement vegetation (for instance, soybeans vs. second growth) in different parts of the basin. It would be tragic to discover the tipping point by triggering it. We have reached the point where deforestation should be stopped, not slowed.

At the same time, any approach to manage the Amazon sustainably must take into account economic forces both within and without the basin. In parts of the Amazon, oil and gas concessions literally cover the map like quilt work. So too do forest concessions. Global interest

in commodities like soybeans and timber bring market forces to bear, and not necessarily in good ways. Soybeans represent a threat to biodiversity and the hydrological cycle. Palm oil, while of little or no biodiversity value, at least is a tree crop and can contribute to the hydrological cycle. In the state of Pará some of the degraded land could be restored to productivity as palm plantations, although care should be taken to balance it with restoration of natural forest. There are real advantages to having palm plantations embedded in a matrix of natural forest.



Cycle Interrupted: The Amazon forest generates half of its own rainfall within the basin. Remove the trees, and the clouds—and moisture—vanish with them.

Similarly, while sugarcane does not grow well in the Amazon, it can expand northward into the *cerrado* region of Brazil. Were it to do so, it could displace cattle ranching farther into the Amazon.

On the plus side of the agenda has been an impressive burst of activity in the creation of protected areas in virtually all of the Amazon nations. A new generation of political leaders has emerged at least in some places, including the Brazilian states Amazonas (Governor Eduardo Braga's government) and Acre (former Governor Jorge Viana), who embrace sustainability and see the future as dependent on the forest.

Ultimately, it is difficult to see a secure path to a sustainable future for the Amazon without considerably more resources from outside the region. That almost inevitably means resources from outside the Amazon nations, but global involvement needs to be perceived as supportive

of national and regional actions, not as "internationalization." The Pilot Program to Conserve the Brazilian Rain Forest (PPG7) was and is just such an effort. Braga's government sees this, for example, as payment for environmental services such as carbon sequestration, rainfall generation, and maintenance of genetic resources. Probably the most promising way to achieve this would be to include "avoided deforestation" as part of carbon trading under the Clean Development Mechanism of the Kyoto Protocol, but there are probably other imaginative ways as well. What is critical is for a portion of the funds to end up in direct support of local communities so they can have a reasonable quality of life without destroying the forest.

IN THE END, THE AMAZON POSES A CHALLENGE for each of the Amazonian nations, as well as for the entire planet. First,

those nations have to work together to maintain the integrity of the Amazon as a system; they need the benefit of fairly uniform approaches. Second, because of the global importance of Amazonia, the rest of the world will need to pool financial and intellectual resources to foster Amazon sustainability. As complex as that is, and so easily clouded by concerns about biopiracy and sovereignty, there is no reason the obstacles can't be overcome. Indeed the Amazon itself provides every reason to do so. **TAP**

Thomas E. Lovejoy, whose involvement with the Amazon dates to 1965, is president of the H. John Heinz Center for Science, Economics, and the Environment. Yolanda Kakabadse is former environment minister of Ecuador, president of the World Conservation Union, and executive vice president of Fundación Futuro Latinoamericano.

Young, Black, and Post-Civil Rights

There's a new generation of African American political leaders, and they aren't confining their careers to black districts—they're calling for race-blind, not race-based, policies.

BY TERENCE SAMUEL

ON A BLUSTERY WINTER AFTERNOON IN JANUARY 2005, I went to see Harold Ford Jr. in his congressional office to talk about his upcoming campaign for the U.S. Senate. He guessed he would need about \$12 million for the campaign. In terms of actual hurdles, though, he expected to be more disadvantaged by being a Democrat than by being African American.

I was quietly, but completely, blown away.

Had the country changed that much? Was race not the biggest, most confusing totem on the American political horizon? I understood that in 2004 Barack Obama had been elected to the Senate. I understood about the New South. I was in Virginia when Doug Wilder became lieutenant governor, and I had covered the campaign when he became the first black governor elected in the nation's history. But even with the most generous benefit of the doubt, Ford was still talking about Tennessee, where the Ku Klux Klan was born, where Martin Luther King Jr. died, and where only two black people have ever been elected to Congress, both of them named Harold Ford.

History takes the slow boat and the long way out. Indeed, to the extent that the South has grown increasingly hostile to Democrats for more than a generation, it was the party's positions on race and civil rights that made it so unpalatable to so many Southern whites.

Yet it was clear that Ford, a Southerner, was absolutely serious.

So how much *has* the country changed? This is the question of the moment as we watch the mutations in our national racial DNA triggered by Barack Obama's presidential campaign. Obama, we are reminded constantly, is a singular political talent. But he is in many ways the full flowering of a strain of up-tempo, non-grievance, American-Dream-In-Color politics. His counterparts are young, Ivy League professionals, heirs to the civil-rights movement who are determined to move beyond both the mood and the methods of their forebears.

Where their predecessors went to historically black colleges and universities and often became ministers, this generation of leaders, born in the 1960s and 1970s, went to law school and began building political resumé's. Ford went to Penn

an undergrad and law school at Michigan; his father studied mortuary science and went into the family's funeral-home business before going into politics.

These new leaders are not what used to be called race men. They argue, somewhat convincingly, that they don't need to concern themselves primarily with the uplift of their race. They appeal to black voters, to be sure, but to white ones as well. They talk about income inequality, not black unemployment. They rail against inadequate educational opportunities, not the endemic poverty in black neighborhoods that results. They attack globalization and outsourcing, not necessarily the loss of high-wage, low-skill manufacturing jobs that built and sustained large working- and middle-class black communities after World War II.

And they don't want to be just mayors or congressmen from majority-black districts. They want to be governors, senators, and presidents. They look like Ford, Obama, and Deval Patrick, the governor of Massachusetts. They resemble Anthony Brown, the African American lieutenant governor of Maryland, and Artur Davis, a congressman from Alabama, both of whom, like Obama, graduated from Harvard Law School. They look like the Rhodes Scholar mayor of Newark, New Jersey, Cory Booker, who is often accused of not being black enough, and like Adrian Fenty, the new mayor of Washington, D.C., who appointed the first nonblack public-schools chancellor in 40 years. They are mostly Democrats, but they also include a handful of Republicans—Michael Steele, the former lieutenant governor of Maryland, who was the unsuccessful GOP nominee for the Senate in 2006, and former Oklahoma Congressman J.C. Watts—who as a matter of ideology have been preaching that the old racial calculus ought to be a less prominent feature in our politics and our lives.

"It is happening as a matter of inevitability," insists Davis, who is considering a run for governor of Alabama in 2010. His odds are long, but more importantly, he is on a short list of very serious candidates, and his race is no longer the inherent bar to victory it once had been.

Much has changed for the black politician. African Americans, despite their loyalty to the Democrats, are no longer

united by the urgent and singular need to end racial injustice. And white Americans are far more open to black candidates than ever before, opening up a far wider array of public offices than was available a generation ago. This has allowed the new black politician to craft a message that appeals to a broader constituency, a message that is not steeped in race. “Why not talk about the American Dream, that is a dream that is shared by black and white and brown ... Americans?” asks Brown.

Compelled to reach beyond what is perceived as their natural political base, these candidates and their message may hold the keys to the future of the Democratic Party. It is a message that eschews divisions, particularly racial ones; it taps into an optimism, real or manufactured, that we are all in this together, full of possibility; and it avoids the negative and what detractors call victimhood. Patrick’s 2006 campaign slogan in Massachusetts was, “Together We Can,” and it is no coincidence that

deliver the keynote address at the party’s convention in Los Angeles. Two years later, in a move that many deemed reckless, Ford challenged Nancy Pelosi for party leader in the House. He got crushed, but for someone who had already been thinking about a run for the Senate, it likely did not hurt him at home to take on one of the premier liberal faceplates of the party.

He was a man in full. And despite criticism that he was not progressive enough or that he was in the thrall of a pandering, unprincipled centrism that was killing the Democratic Party, it seemed clear that Ford’s was a promising political future. His 2006 campaign was not a sacrificial one. Desperate to retake control of the Senate, Democrats were going to cast their lot with an African American in the South for one of the only open GOP seats of the cycle.

“The race issue is big,” he told me, “but the biggest issue I face is being a Democrat.”



Artur Davis



Harold Ford Jr.



Cory Booker

Patrick had the same political consultants as Obama, whose 2004 senate-campaign slogan was, “Yes, We Can.”

This is, in essence, the message of the Democratic Party, which has been accused, sometimes fairly, of being less a party than a collection of interest groups. And there may be no more treacherous ground for a Democratic candidate to traverse than addressing the concerns of black voters, crucial to any success, while not seeming beholden to them. Actually, the job may be easier for black Democratic politicians, who can preach togetherness with a reduced burden of having to establish their bona fides with black voters.

Obama is doing all this, but he is not the first. When I met with Ford in 2005, he was 34 and had been elected to the House five times, each time with between 60 percent and 80 percent of the vote, from his majority-black district in Memphis. His father, Harold Ford Sr., had held that seat for 22 years before him. But the younger Ford was moving on, building himself into the prototype crossover black candidate—moderate, affable, eloquent—who would win state and national elections.

It was, after all, four years before Obama’s big speech at the 2004 Democratic Convention that Al Gore chose Ford to

CLEARLY AMERICA HAS CHANGED. WHO CAN DENY THE enormity of racial progress in the 150 years since the Dred Scott decision or in the 50 years since the Little Rock Nine, or even in the 15 years since Rodney King pleaded helplessly, “Can we all get along?” Ford refers to himself as part of the “diversity generation” that grew up valuing difference rather than mediating racial strife. They’ve lived the dream, and represent a generation of black Americans who do not feel cut off from the larger society. Indeed, Obama’s raising \$33 million in three months is the very definition of this progress.

“The country has evolved on race,” Davis says. “I think in the next 15 years there will be six to 10 African Americans who, if their careers take the right turns, will be in position to contend for the presidency. That’s breathtaking.”

In all likelihood, they will be less liberal and more centrist than those who came before them. Ford opposes gay marriage and supported the war in Iraq. Davis is anti-abortion and pro-gun. Obama, who comes from a liberal city in a Democratic state, also opposes gay marriage, and he angered many progressives and party members when, in his first few weeks in

ROB CARR; ALEX BRANDON; MIKE DERER / AP IMAGES

the Senate, the new liberal champion voted for a tort-reform bill that was one of the president's top priorities.

There is open and often bitter speculation about whether this new breed had to pay too great a price for its success, by distancing itself from the causes and crusades that advance the interests of black people. There is little evidence of that in substance, but the shift in tone and perspective troubles some. "The subtext of his appeal is in what he does not say," writer Amina Luqman opined in *The Washington Post*, about Obama's avoidance of difficult historical questions on race.

Has this new breed had to distance itself from the causes and crusades that advance the interests of black people?

1961 see the world differently than people born in 1931."

If black politicians are allowed to practice a different kind of politics in America today than a generation ago, the reasons can be reduced to two essential factors: Black voters have broader interests and more diverse political demands, and white voters are increasingly open-minded about what their leaders should look like.

African American home ownership is at an all-time high. In 2006, 81 percent of African Americans older than 25 had graduated from high school, compared with 44 percent in 1976, or 28 percent in 1966. Poverty among blacks has dropped from 41.8 percent in 1966 to about 23 percent in 2005. Blacks are the only group among whom voter turnout is rising. And the election of African



"It's in his ability to declare that things must get better without saying who or what has made them bad. It's how he rarely chastises and how he divides blame and responsibility evenly; white receiving equal parts with black, poor equal parts with rich."

John Conyers, the 40-year House veteran from Detroit, sees them as the organic next step in a long, historic march, but notes that "some of them are not as progressive as they should be from my point of view."

And while Conyers is not among them, there are those who see in that less progressive approach a calculating cynicism to pander to whites by distancing blacks. "Some of these guys have exploited that in a political sense, intentionally or not, to appeal to white voters," says the Rev. Al Sharpton, an old-time agitator.

Still, many say that these political changes are natural and positive development. "They are what we wanted to happen," writer, scholar, and veteran activist Roger Wilkins told the Associated Press about the new black politicians. "You are getting some of the real fruits of the civil-rights movement. I don't view them as in opposition to us; but people born in

Americans to public office has taken off: In 1970 there were 1,469 black elected officials in the United States, while today there are more than 9,100. There is no missing the historical irony in the fact that Mississippi, Alabama, and Louisiana top the list of states that have elected the most blacks.

Those officials, in some ways, are evidence of victories in fights that need not be refought. "We could not get past those threshold inclusion issues," says Davis. "We could not be talking about health-care disparities in 1965, when people could not even vote."

But white voters have changed, too, says David Bositis, of the Joint Center for Political and Economic Studies, a think tank in Washington focused on African American issues, and this has allowed African American voters to seek offices representing constituencies much wider than an all-black ward or a majority-black city or congressional district. "White voters have changed so that they are willing to support, and strongly support, black candidates, and black candidates ... are now offering a vision, an agenda, a politics where they are trying to appeal to all voters, and which more white voters are willing to accept."

The Liberals' Moment

The McGovern Insurgency and the Identity Crisis of the Democratic Party

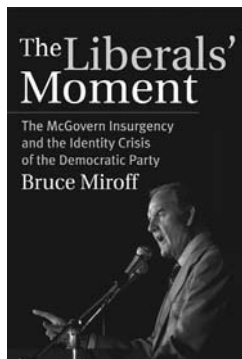
Bruce Miroff

"A deeply perceptive and stunningly fresh narrative of a major turning point in U.S. political history. Essential reading for anyone who wants to understand both the promise and the pitfalls awaiting Democrats who stand up for their principles."

—Michael Kazin, author of *A Godly Hero: The Life of William Jennings Bryan*

"Brings to life the excitement and furor of a time when Americans were as divided over Vietnam as they are over Iraq today."—James MacGregor Burns, author of *Leadership and Running Alone*

336 pages, 21 photographs, Cloth \$29.95



The Supreme Court

An Essential History

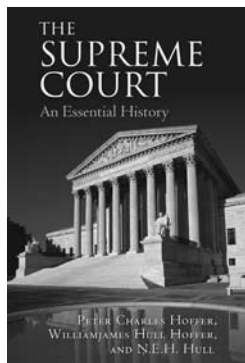
Peter Charles Hoffer, William James Hull Hoffer, and N.E.H. Hull

"A clear and comprehensive overview of the nation's most important court and the justices who have served on it. . . . Essential reading for anyone concerned with the history of this fascinating institution."—Lawrence Friedman, author of *A History of American Law*

"The single most readable and reliable narrative history of the U.S. Supreme Court yet written."—Stanley N. Katz, editor of the *Encyclopedia of Legal History*

"Indispensable for the layperson, it provides a rich banquet for the scholar as well."—Laura Kalman, author of *The Strange Career of Legal Liberalism*

494 pages, 25 photographs, Cloth \$34.95



**University Press
of Kansas**

Phone (785) 864-4155 • Fax (785) 864-4586
www.kansaspress.ku.edu

In 2006 Ford ran a Senate campaign that appeared to show that race was no longer the dominant and decisive issue it once had been in American political culture—until, that is, race did Ford in. Ford's campaign followed the overall Democratic playbook: He talked about high gas prices, economic unfairness, the failed war in Iraq. Interestingly, when he attacked Bush, he did it from the right, ridiculing the president's immigration plan, for example, as an amnesty for illegal aliens.

And then, with one week to go and the polls putting Ford and his opponent, Bob Corker, in a dead heat, the Republican National Committee put out a television ad showing a young white woman in a strapless dress, announcing: "I met Harold at the Playboy party." Her shoulders bare, she beckoned at the end of the ad, "Harold, call me!" Ford lost by a margin so small—less than 3 percent that any small factor might have made the difference. But the Tennessee campaign is remembered mostly for that ad, which conjured up some of the saddest elements of America's gnarled racial history: The lynching of untold numbers of black men in the South between the end of the Civil War and the end of World War II for crimes, often imagined, that ranged from raping white women to insulting them. The baggage is old, but real and still raw. The effectiveness of the ad depended on one's sense of and sensitivity to history. Clearly it was not meant to evoke morning in America.

Still, Ford emerged from the election with his political bona fides intact and even enhanced. Almost immediately, he talked of another bid for the Senate in 2008. Now he has set his sights on the governor's mansion in Nashville, which will be vacated by term-limited Democrat Phil Bredesen in 2010.

AL SHARPTON IS CALLING ME BACK DURING A BREAK from his radio show. Sharpton is what is casually described as a traditional civil-rights leader. He is definitively old school and savvy enough to understand that when "new generation" black leaders are praised for their "credibility," their "viability," or their ability to "transcend race," the political translation is that they are not Al Sharpton or Jesse Jackson or Louis Farrakhan.

He dismisses the notion that the new politics is all that new. "There have always been black people who worked inside the system, while some worked outside it," he says. "Thurgood Marshall was on the Supreme Court when Martin Luther King was still alive. This ain't generational. Barack Obama and I are the same generation, Deval Patrick and I are the same age." (Sharpton was born in 1954, Patrick in 1956, and Obama in 1961.)

"I think the civil-rights movement has produced leaders who are not civil-rights leaders, but that was the whole point of the civil-rights movement, to give people a chance to live up to their potential," Sharpton says. "The thing that gets me is that when you get some black leaders who are not civil-rights leaders, whether it is Barack Obama or Colin Powell or Tiger Woods, people act like they did that all by themselves, that they opened the door for themselves."

Tensions over the blackness of black candidates have simmered for years, between Booker T. Washington's accomoda-

tionist self-help movement and W.E.B. DuBois' more aggressive black activism, between Malcolm X's threats of violence and King's devotion to nonviolence. But today there is something new: "In just my lifetime the meaning of leadership for African Americans has changed," says Congressman Davis. "When my mother came along you could teach, but you couldn't teach white children, you could lead, but you couldn't lead white people. This is a different space. Now you could live up to your potential."

The critical question, and it has yet to be answered, is whether living up to one's potential means leaving behind issues that are important to black people. Like the fight for affirmative action, for continued government protection against race-based discrimination in employment, education, housing, and other critical areas. Despite all the measures of progress, African Americans remain a disproportionately large portion of those suffering the ravages on the nation's continued inequality: Three in four white families owned their homes in 2005, while only 46 percent of blacks did; the median income for white households was \$50,622 in 2005, while black median household income stood at less than \$31,000, a 40 percent disparity that has existed since 1980; and blacks in the United States have an 18.6-percent chance of going to jail at some point in their lives, compared with 3.4 percent for whites.

Nonetheless, the new black politicians seek race-blind, not race-based, solutions. "I can't think of a single issue in American political life where you can still say 'This will exclusively affect blacks,' or 'This will only affect whites,' where you can say what this means for the Black Agenda," says Davis, who admits that in a lot of cases the consequences "fall more acutely on black people."

These new leaders say they leave advocacy for African Americans to civil-rights organizations. Ron Walters, who was the campaign manager on Jesse Jackson's presidential campaign, says that's how it should be. "I think a lot of times people, the media especially, confuse civil-right leaders with political leaders," Walters said. "The reason African American communities needed civil-rights organizations was because of the injustice and abrogation of rights that existed in our communities. That is not a job for political leaders, and we still need civil-rights leaders." In this division of labor, civil-rights leaders—who have always spent a lot of their effort petitioning political leaders for redress—can now in theory make their case to more highly placed and more sympathetic black leaders.

The emergent strain of American Dream politics from black politicians is attracting a lot of attention at the very moment that some of the civil-rights-era, freedom-fighting types are reaching new heights of political power in the place where historically it has been most significant, the House of Representatives. Last January, Detroit's Conyers, first elected in 1964, became chairman of the House Judiciary Committee. Charles Rangel chairs the powerful Ways and Means Committee, and Mississippi's Bennie Thompson is the new chairman

of the Committee of Homeland Security. And before she died in April, California's Juanita Millender-McDonald was head of the Committee on House Administration.

The old guard and the young Turks are mutually respectful, acknowledging that their experiences and opportunities are different because times have changed. "Could you imagine if John Conyers was a 35-year-old lawyer beginning his political career now?" Davis, 39, asked, suggesting that Conyers' political talent today would have taken him beyond the job of veteran congressman.

For his part, Conyers says he is "very enthusiastic about Obama's campaign, because he represents a new dimension to what we saw with Shirley Chisholm, Jesse Jackson, and Al

Their message, eschewing racial divisions, proclaiming we're all in this together, may be the key to the Democratic Party's future.

Sharpton," African Americans who ran for president over the past 40 years. "I think it is very critical that we move along with him." (Conyers does not think the Democrats' best chances lie with Obama, however. "What I hope is going to happen is that we get a Clinton-Obama ticket, which I think gives us the best chance to win.")

But the true prize for African Americans may be Obama's opportunity to try.

On a rainy, humid afternoon deep in the Alabama summer, people were lined up around the corner, waiting to get into the ballroom of the Sheraton Hotel in downtown Birmingham. More than 2,000 of them paid \$25 each to attend an event where they would be served no food, not even a pretzel.

Davis stood on the stage marveling at the crowd. "You have to be from Alabama to appreciate this," he said to Obama, whom he was about to introduce. "I've never seen a more diverse crowd—black, white, rich, poor. It was amazing," he told me later. "That is not the norm in Alabama politics. Usually the black political community tends to do its thing, and the white political community does its thing."

There is a lot of Alabama in Alabama politics. "Not 10 minutes away from that ballroom was the 16th Street Baptist Church where those four little girls got killed in 1963," Davis told me. He asked for a show of hands of people who were around in 1963. There was a sprinkling.

"I bet that you could never have imagined that someone like me would be standing on this stage, getting ready to introduce someone ..." The crowd erupted. Davis never got to finish the line. "It was astonishing," he recalled later. "To be a black politician born in America after 1960 with the rhetorical skills to communicate a vision to voters, it is possible to have the same career aspirations as white politicians with similar skills," says Davis. "Everything now is in the zone of possibility." **TAP**

Terence Samuel is a senior correspondent at The American Prospect.

The Myth of the Balanced Court

In 1980, John Paul Stevens stood at the center of the Supreme Court. Today, he is its most left-wing member—and he hasn't changed.

BY CASS R. SUNSTEIN

IT IS HOW THE MAINSTREAM MEDIA HAVE TAUGHT THE public to think about decisions by the current Supreme Court. And it is a conceptual scheme that makes it utterly impossible to understand either the Court's current makeup or its recent history.

The Myth of Balance Between Left and Right holds that the Court has a "liberal wing," consisting of Justices John Paul Stevens, David Souter, Ruth Bader Ginsburg, and Stephen Breyer, and a "conservative wing," consisting of Chief Justice John Roberts and Justices Antonin Scalia, Samuel Alito, and Clarence Thomas. Justice Anthony Kennedy is the swing vote, the "moderate."

It should be clear, right off the bat, that something is fishy about this picture. Cautious on the lower courts, Ginsburg and Breyer were prescreened by and fully acceptable to Republicans on the Senate Judiciary Committee. Both their votes and their opinions have been far more moderate than those of the great liberal visionaries of the Court's past, such as William O. Douglas and William Brennan. Souter is a Republican appointee. His approach to constitutional law is in the general mold of Justice John Harlan, the great conservative dissenter on the Warren Court. Stevens, also a Republican appointee, was a maverick on the Burger Court, far to the right of three of its members. Contrary to what you hear, Stevens hasn't much changed in the last decades.

Here's a simple way to expose the Myth of Balance. In 1980, when I clerked at the Court, the justices were, roughly from left to right, Brennan, Thurgood Marshall, Harry Blackmun, Byron White, John Paul Stevens, Lewis Powell, Potter Stewart, Warren Burger, and William Rehnquist. Believe it or not, this Court was widely thought to be conservative. But think, just for a moment, about how much would have to change in order for the Court of 2007 to look like the supposedly conservative Court of 1980.

First we would have to chop off the Court's right wing, removing Scalia and Thomas and replacing them with Marshall and Brennan. Far to the left of anyone on the Court today, Marshall and Brennan believed that the Constitution banned the death penalty in all circumstances, created a right to education, and required the government not merely to protect the right to choose but actually to fund abortions for poor women.

Next we would have to replace Kennedy with Blackmun.

Blackmun was also to the left of anyone on the current Court. Fiercely protective of the right to privacy and opposed to the death penalty on constitutional grounds, Blackmun believed that the social-services agencies were constitutionally obliged to protect vulnerable children from domestic violence and that affirmative-action requirements were broadly acceptable.

Then we would have to leave Breyer, Stevens, Souter, and Ginsburg essentially as they are. All of a sudden, the four would be perceived as the Court's moderates rather than its liberals, operating as a group much like White, Stevens, Powell, and Stewart. (The parallel between White-Stevens-Powell and Breyer-Stevens-Souter is very close; true, Ginsburg is somewhat to the left of Stewart in many domains, but their voting patterns and general approaches are pretty close.)

Finally we would have to assume that Roberts would vote more or less like Rehnquist (which is to say, definitely to the left of Scalia and Thomas) and that Alito would vote more or less like Burger (definitely to the left of Rehnquist).

To say the least, all this would represent a radical change in the Court's composition—so radical that liberals cannot even fantasize about it. But this radically changed Court would be essentially identical to the supposedly conservative Court of 1980!

Here is another way to demonstrate the point. In 1980 Stevens often operated as the Court's median member; in many cases he (along with Powell) was the Justice Kennedy of that era. But Stevens is frequently described as the most liberal member of the current Court. If he qualifies for that position, it is not because of any significant change in his own approach, but because of a massive shift in the Court's center of gravity.

The consequences are huge, both for constitutional law and for public debate. When Kennedy, rather than Stevens, looks like the moderate, people's sense of constitutional possibilities, and of what counts as sensible or, instead, extreme and unthinkable, shift dramatically. Not long ago, Marshall and Brennan served as the Court's visionaries, offering a large-scale sense of where constitutional law should move. They thought it preposterous that affirmative action should be treated the same as old-fashioned racial discrimination, and their views on that question put real pressure on the Court's center. They wrote in clear, bold strokes against decisions to invalidate campaign-finance restrictions

and to restrict access to federal court; their opinions pressed the Court toward moderation on those subjects.

The results of the shift have been momentous. Where once it seemed clear that the Court would generally accept congressional judgments in favor of affirmative-action programs, the Court has now made clear that such judgments will be subject to “strict scrutiny” (and generally struck down). Where once it seemed established that Congress could use its power under the Fourteenth Amendment to give broad protection to liberty and equality rights, now it seems clear that Congress cannot go beyond the frequently narrow views of the Court itself. Where once the issue was whether the right to choose abortion might include a right to federal funding for poor women, now the issue is whether further restrictions on that right will be upheld. Where once the issue was whether the Constitution protected the right to education, it is now plain that the Constitution will not be understood to create “affirmative” rights.

A widely unknown fact: Between 1984 and 2000, the Court overruled more than 40 precedents, specifically rejecting the law as it was understood in 1980. And on many more occasions, the Court significantly reoriented the law without overruling particular decisions.

Scalia and Thomas are the Court’s visionaries today, serving the roles of Marshall and Brennan in an earlier era. Don’t be fooled by their rhetoric about “the original understanding.” Sometimes they do consult history, but too much of the time, their shared vision looks less like that of the founders than that of the extreme right wing of the Republican Party. Voting a lot like political partisans, they seek an end to affirmative-action laws and campaign-finance restrictions, elimination of the right to choose, greater protection of commercial advertising, much less in the way of separation of church and state, strengthened property rights, and increased presidential power.

A quiz question: Of the nine members of the Court, who have been the most likely to strike down decisions by executive agencies, such as the Environmental Protection Agency, the National Labor Relations Board, and the Federal Communications Commission? Would you be surprised to hear that the answer is Scalia and Thomas? (It is.) And would you be stunned to learn that they were more likely to strike down such decisions made by the Clinton administration than by Republican administrations? (They have been.)

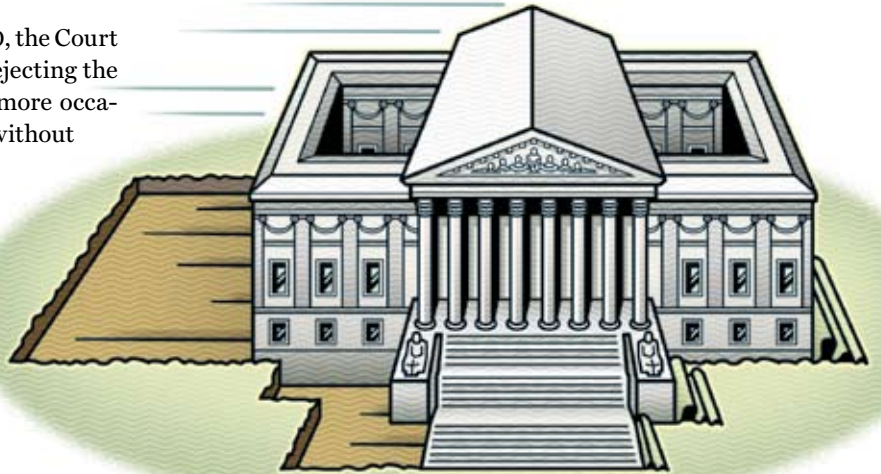
Although Roberts and Alito write cautiously and work within the established categories, their votes in key cases have been indistinguishable from those of Scalia and Thomas. Kennedy, the supposed moderate, usually agrees with them. In contrast, the work of today’s supposed liberals is mostly defensive. Fending off attacks on longstanding precedents, they are the Court’s literal conservatives.

The upshot of all these shifts is that what was once on the extreme right is now merely conservative. What was once conservative is now centrist. What was centrist is now left wing. What was once on the left no longer exists.

The political right has had a strong interest in downplaying these changes. One way to move the center of gravity is to make the (preposterous) claim that moderate Republican appointees such as Stevens, Souter, and Sandra Day O’Connor are “liberals” who have “betrayed” the presidents who have nominated them. Remarkably, the conservative effort to redescribe the center has succeeded.

I’m not denying that in some areas, the new appointees have been less conservative than some expected or hoped. The Court has not overruled *Roe v. Wade*; it has rejected the view that the Ten Commandments can be posted on courthouse walls; and it did extend the right of privacy in 2003 so as to forbid criminalization of same-sex relations. But its apparently liberal decisions have been few, narrow, and exceedingly cautious.

Nor am I saying that the liberals of the Court’s past were



correct in their view of the Court’s role. On the contrary, the Court does best if it proceeds cautiously and incrementally, with respect for the elected branches of government. Marshall and Brennan, no less than Scalia and Thomas, tried to use the Constitution to impose a contestable political vision on the nation. For the future, the preferable route was charted by underrated justices such as Felix Frankfurter and Byron White—excellent lawyers who worked within established categories and were reluctant to strike down acts of elected officials, above all Congress.

But both the Court and the nation benefit from a range of views and approaches, and something has gone badly wrong if the Court has a strong right wing without any real left. Things are worse still, and even a bit bizarre, if the Court’s distinguished moderates, generally operating in the same tradition as the conservatives of the Court’s past, are seen as the left-wingers. What makes the revolution on the Court so unusual, and so stunningly successful, is that most people have not even noticed it. **TAP**

Cass R. Sunstein is a professor at the University of Chicago Law School and co-author of Radicals in Robes: Why Extreme Right-Wing Courts Are Wrong for America.

Share the Credit

Why extending income tax credits to payroll tax payers should be the next big idea in American politics

BY MICHAEL LIND

THE DEMOCRATS ARE A POTENTIAL MAJORITY PARTY in need of a major idea with potential. The major idea that built a Republican majority starting with Ronald Reagan's election was simple: cutting income taxes, with or without cuts in spending. The Republicans reduced income tax rates and then they cut big holes in those rates by creating new or enlarged tax credits available only to Americans who pay income tax.

Meanwhile payroll taxes have risen for working Americans who, because they pay little or no income tax, are ineligible for a range of tax breaks from the \$1,000-a-year child tax credit to the home mortgage interest deduction.

Some progressives hope to reverse a generation of Reaganism by repealing George W. Bush's income tax cuts in order to pay for major new spending programs. But the stigma attached to "tax-and-spend" liberalism by a generation of conservative propaganda remains. Equally dubious is the strategy proposed by neoliberal Democrats, whose slogan seems to be: "no pain, no gain." Their formula of budget-balancing fiscal conservatism plus tiny, symbolic subsidies has no popular appeal.

Instead the Democrats should take a leaf from the Republican playbook and position themselves as the party of deep tax cuts for working Americans. What the Reaganites did for affluent income tax payers, Democrats (and like-minded Republicans) can do for America's working-class majority.

Here is a majority-making idea: *Make all Americans who pay payroll taxes eligible for every existing income tax credit—the child tax credit, the home mortgage interest deduction, all of them.* With a single stroke, this would accomplish two important goals. First, it would provide substantial tax relief for working Americans who pay only, or chiefly, payroll taxes. Second, it would permit these same payroll tax payers to enjoy the same tax breaks that more affluent income tax payers now enjoy exclusively.

The party that opens up all income tax breaks to all payroll tax payers might be able to consolidate the next majority in American politics, a majority built on center-left, tax-cut Reaganism for the masses, not the elites.

IF YOU'RE LIKE MOST AMERICANS, YOU PAY THE FEDERAL GOVERNMENT more money in the form of the 15.3 percent payroll tax taken out of your paycheck every two weeks than you pay in income tax. Even Americans making between \$65,000 and \$100,000 a year, well above the national median income, pay a greater share of their federal tax dollar for payroll tax than for income tax. You have to be in the highest-earning 20 percent of Americans to pay more income tax than payroll tax.

You'd think that politicians in Washington would be eager to relieve voters of the payroll tax burden, right? Wrong.

Since 1980 the payroll tax has been hiked several times. Meanwhile federal income taxes have been slashed repeatedly—to the benefit, chiefly, of the rich. The wealthiest 5 percent of taxpayers saw their effective federal tax rates fall from 30.1 percent in 2001 to 25.6 percent in 2004, according to the Congressional Budget Office (CBO). And they have benefited even more from steep reductions in taxes on capital gains and dividends.

To make matters worse, more and more of the burden of paying for the federal government has shifted to the payroll tax, which hits middle-class workers the hardest. As a percentage of federal revenue, the payroll tax rose from 27 percent in 1973 to a whopping 40 percent in 2003.

It gets even worse. In the past generation, Congress has quietly expanded an invisible welfare state for the well-to-do—a generous system of income tax subsidies that is off limits to tens of millions of working-class and middle-class Americans.

Here's how the tax-break welfare state for the affluent works: The IRS allows them to take advantage of a number of different tax credits, from the home mortgage interest deduction to the \$1,000-a-year child tax credit to a separate credit for money spent by working parents on child care. Under the current tax system, the affluent are also able to shelter large amounts from taxes in tax-preferred savings vehicles like IRAs and Keogh Plan pensions.

Here's the catch: *You can only claim these tax credits against income taxes, not against payroll taxes.* One-third of American families pay only payroll tax and no income tax. If you belong to one of those families, you're out of luck.

And even if you pay income tax on top of payroll tax, you can



As a percentage of federal revenue, the payroll tax rose from 27 percent in 1973 to a whopping 40 percent in 2003.

only claim these credits for your income tax liability. In theory income tax payers can claim thousands of dollars in total for various deductions—but only if they pay that amount or more in income taxes. The more money you make, the greater your subsidy from the government! Here's one example: In 2005 families earning more than \$75,000 saved twice as much money using the child tax credit as families earning less than \$30,000.

And we haven't even mentioned corporate income tax breaks that chiefly benefit the economic elite in this country. Hundreds of billions of dollars in potential federal revenues are lost each year because of private company health care plans and pensions—including "gold-plated" plans for corporate executives. If you work for an employer who does not provide either health care or a pension, you're out of luck again.

Reforms in recent decades have created a three-caste society for purposes of taxation. At the bottom, the poor have largely been exempted from taxation and receive such generous tax subsidies as the Earned Income Tax Credit (EITC). At the top, income tax rates have fallen, and the reduced rates, in turn, have been hollowed out by a system of generous tax credits for upper-income households. Stuck in between the affluent and the poor are working-class Americans. They make too much

money to receive means-tested subsidies for the poor like the EITC. But they do not qualify for the income-tax welfare state of the affluent because they pay little or no federal income tax. The chief federal tax they pay is the combined Social Security/Medicare payroll tax, for which there are no tax credits comparable to those available to affluent income tax payers.

To put it another way, the United States has moved away from a system of universal social insurance for the broad middle class toward two means-tested welfare states taking the form of tax expenditures and administered by the IRS: a tax-credit welfare state for the poor (the EITC) and another tax-credit welfare state for the affluent.

THE IDEA OF GRANTING PAYROLL TAX RELIEF HAS BEEN AROUND since the 1980s. Until now ideas for payroll tax relief have taken four forms: abolition of the payroll tax, permanent payroll tax rate cuts, rebates for payroll taxes, and the extension of the child tax credit to workers who pay payroll tax but not income tax.

Al Gore has proposed abolishing the payroll tax and replacing it with a carbon tax. In our book *The Radical Center* (2001), Ted Halstead and I proposed replacing the payroll tax with a progressive consumption tax. There is little political support, however, for completely substituting a new tax for the payroll tax.

In the early 1990s, Senator Daniel Patrick Moynihan proposed permanently cutting payroll taxes so that they met only annual Social Security obligations. Richard Darman, the budget director for President George H.W. Bush, called it "the most irresponsible budget idea of the 1990s." Moynihan's proposal went nowhere in a decade marked by hysteria about the alleged looming bankruptcy of Social Security.

Robert Reich, in this magazine, was just one of a number of writers who floated the idea of payroll tax rebates in the early 2000s, as part of efforts to devise a progressive alternative to the further round of income tax cuts proposed by the current President Bush and enacted by the Republican Congress. Like proposals for the abolition of payroll taxes and Moynihan's proposed rate cuts, the rebate proposals would help many working Americans. But all three kinds of proposed reforms are completely unconnected to the question of income tax expenditures, which would continue to exist and continue to be unavailable to payroll tax payers.

The link between income tax credits and the payroll tax was actually made by Newt Gingrich and his Republican colleagues in the 1994 Contract with America. The Contract proposed extending the then-novel child tax credit to working parents who paid payroll taxes but not income taxes. Once in power, the Republicans reneged on their promise, and to this day the child tax credit is available only to parents who pay income tax. But the idea did not die. It was recently revived by the Center for American Progress, which has proposed making the child tax credit refundable to all families who pay payroll taxes.

This is an excellent idea—but why limit the reform to only

one tax credit? Here is a simple, bold, and elegant proposal which at one stroke would universalize the income tax credit system and, at the same time, grant significant payroll tax relief to stressed American households: *Make all Americans who pay payroll taxes eligible for all existing income tax credits for children, housing, education, savings, and other purposes.* Every single tax credit that can now be claimed by individual income tax payers, from the child tax credit to the home mortgage interest deduction, should be available to all Americans who pay the payroll tax. Every single one. No exceptions.

Call it the Total Tax Credit (TTC) system. Under the TTC system, even if you don't pay income taxes, your employer would let you deduct your tax credits from the payroll tax that is sent to the government every two weeks. Result: fatter biweekly paychecks for all American workers. The biggest winners would be those who could claim the most TTC deductions: home-owning families with dependent children. But even single, childless renters who don't pay income tax, or pay only a small amount, could benefit as well—for example, from tax credits for savings. In this way, today's tax credit system exclusively for income tax payers would be turned overnight from a professional-class gated community into a mainstream middle-class neighborhood.

BUT WAIT. WOULDN'T ALLOWING PAYROLL TAX PAYERS to claim credits against the payroll tax blow a huge hole in revenues? Wouldn't we need to make up for the lost revenue in order to fund Social Security and Medicare? Of course we would. And we could, in various ways.

The first step would be to lift the cap on payroll taxation, which is now \$97,500 a year. The American public supports the idea of lifting the cap on Social Security payroll taxes. In a February 2005 *Washington Post* poll, 81 percent said that Americans who make more than the present limit should pay Social Security tax on their wage income. There is a precedent for this long-overdue reform: In 1993 Congress removed the similar cap that previously existed on Medicare taxes on wage income.

Would lifting the cap hurt mainstream Americans? Hardly. Only the top 5 percent or 6 percent of wage earners would see their Social Security tax go up. These are the same people who have received most of the benefits from tax cuts over the past 30 years. They can afford it.

Lifting the cap while keeping benefits for affluent retirees unchanged would produce a surplus for Social Security for the next 75 years. But this assumes no payroll tax relief for middle-income workers. If we adopt the Total Tax Credit system, then the money that streams in from applying payroll taxation to wage income higher than \$97,500 would fill part of the revenue shortfall created by extending income tax credits to payroll tax payers. But we would still need to cut spending elsewhere or come up with new revenues.

How about imposing a cap on tax expenditures—while lifting the cap on payroll tax? Right now the benefits of the home mortgage deduction go disproportionately to the richest Americans with the biggest houses. Capping the home mort-

gage interest deduction at, say, the median amount spent by homeowners would result in new revenue flowing from the rich into federal coffers—*without raising existing federal income tax rates at all.* Politically speaking it's much more attractive to raise revenue by capping income tax loopholes than to raise income tax rates. Reducing the amount of money the wealthy can shelter in tax-favored savings vehicles alone would result in a flood of new revenues to the Treasury. The price of extending today's income-tax-only credits to all American payroll tax payers without bankrupting the government may be to make all tax credits—for housing, children, and education—more modest. But that's how it should be, anyway.

The Total Tax Credit system would also affect the economy indirectly, to the benefit of the broad middle class. As take-home pay for working people increased, the economy's spending on housing, day care, and other sectors would come to include the less affluent. A universalized home mortgage interest deduction capped below the current \$1 million would encourage realtors to build a greater number of modest homes, rather than second homes and McMansions. Day-care centers would find a new clientele in working-class parents as well as professionals. Allowing payroll tax payers to cut their payroll tax by saving money in tax-favored retirement accounts would create an entirely new source of capital for banks. America's tax-credit-subsidized economy would shift downmarket—and about time, too.

Lifting the cap on payroll taxes while capping the newly universal tax credits might still result in revenue shortfalls. We could increase other taxes that fall lightly on working people, such as income taxes, taxes on capital gains and dividends, and estate taxes. Or we could raise revenue from new taxes, like a national sales tax or value-added tax (VAT) on luxury goods. Think about it—a national tax on luxuries enjoyed by the wealthy could help to pay the cost of extending tax breaks now enjoyed by elite income tax payers to ordinary payroll tax payers.

But our representatives should prefer to raise new revenue to pay for the Total Tax Credit system by means of consumption taxation rather than higher income taxes, and the reason is political, not economic. Consumption taxes, like national VATs elsewhere in the world, state and local sales taxes in the United States, and, for that matter, payroll taxes, have the political advantages of being inescapable and invisible. Payroll and consumption taxes are difficult if not impossible to avoid. And even more importantly, because they are relatively invisible compared to highly transparent taxes like the income tax and property tax, consumption taxes and payroll taxes are less likely to provoke tax revolts.

In Europe the architects of generous social-insurance systems have been wise to rely heavily on non-transparent taxes like payroll taxes and consumption taxes. While these are regressive, in Europe their effect has been moderated by progressive spending. In the taxophobic United States, we could achieve the same result by making our tax burden more progressive. Social-democratic purists may lament the fact that so



much public policy in the United States is done via the tax code rather than direct spending programs. But instead of complaining that the United States is not Sweden, American progressives and centrists ought to make a virtue of necessity and make the existing tax-expenditure welfare state nearly universal (by allowing payroll tax payers to participate) and more progressive (by capping the new federal total tax expenditures).



You'd think that Washington politicians would be eager to relieve voters of the payroll tax burden, right? Wrong.

WHAT ABOUT THE POLITICS OF THE TOTAL TAX CREDIT PROPOSAL?

Two questions must be addressed: Would it endanger public support for Social Security? And would it be popular with voters?

The first question is whether it is wise partly to sever the link between payroll taxes and Social Security expenditures, something that any major payroll tax relief plan without major Social Security spending cuts would do. Franklin D. Roosevelt conceded that the payroll tax was a regressive tax, but argued that the link between contributions and payouts was necessary so that “no damn politician can ever scrap my Social Security program.” The same logic has inspired many progressives as well. Like FDR, they fear that Social Security would no longer be viewed as social insurance for the middle class but as a redistributive welfare program for the elderly poor. And as the saying goes, “programs for the poor are poor programs.”

The evidence suggests, however, that there is little basis for the fear that Social Security will lose public support if it is

funded by taxes other than payroll tax. Some of the evidence comes from abroad, from countries that fund their public pension systems partly or wholly out of general revenues. But the most convincing evidence comes from here in the United States. Medicare is divided into two programs, Part A and Part B. Part A is funded by the Medicare payroll tax. Part B is funded in part from general revenues. In spite of this mixture of streams of funding, support for Medicare as a whole remains strong—so strong, in fact, that Bush and the Republican Congress presided over the biggest expansion in Medicare expenditures since the program's inception, in the form of the Medicare drug benefit.

The truth is that whether programs are popular or not seems to have no connection to how they are funded. Social Security in particular remains the “third rail” of American politics. By endorsing partial privatization of Social Security, Bush boldly seized the third rail—and was promptly shocked. Public reaction to his idea was so hostile that the idea died, even in a Republican Congress.

The same fate undoubtedly awaits proposals to impose radical means-testing and steep cuts on middle-class Social Security payments as an alternative to raising taxes to cover Social Security costs. By paying for Social Security out of general revenues or other dedicated taxes, the solvency of Social Security can be assured, even as the Total Tax Credit system slashes payroll tax for most Americans.

THE LARGER POLITICAL ISSUE REMAINS TO BE ADDRESSED: Will the Total Tax Credit system play in Peoria? The answer is obvious: It is hard to imagine a proposal that would be more popular with the American public.

The swing vote in American politics since the 1960s has

consisted of high-school-educated white working-class populists—Reagan Democrats or Jim Webb Republicans. A slight shift of these voters gave Congress to the Republicans in 1994 and took it away in 2006. In theory the Democrats

can build a bare-majority coalition on the basis of affluent liberal whites, blacks, and Latinos. But a veto-proof Democratic supermajority in Congress capable of passing reform legislation, with or without a Democratic president, cannot exist in the foreseeable future unless white working-class swing voters are welded to the party. And these are the very voters who would benefit the most from the Total Tax Credit system.

What do today's Democrats offer these voters? The neo-liberal wing offers Rubinomics—deficit reduction, cuts in middle-class entitlements like Social Security, and symbolic microsubsidies. For the working class, Rubinomics is all pain and no gain—their Social Security benefits would be slashed under most neoliberal Social Security solvency plans, and new subsidies would be means-tested programs for the poor for which the working class is ineligible.

The left wing of the Democratic party is more in tune with



We've had three decades of income tax cuts for the elites; now it's time for payroll tax cuts for the masses.

the operational economic liberalism of working-class voters, who tend to be New Deal liberals when it comes to spending (if not taxing) and moderate conservatives when it comes to social issues. But the 2006 election was a referendum on a lost war, not a sign that the public in general—and working-class swing voters in particular—want more direct public spending.

The TTC system offers Democrats a third way: putting money in the pockets of working-class voters by cutting their taxes, not by appropriating more money for federal programs. This Reaganism for the masses is immune to political attack by Reaganites themselves. The gloomy deficit hawks in both parties can flap their wings and squawk about how irresponsible it is to cut the payroll tax, even if the cap is raised. But progressives are likely to find allies among two groups of conservatives: populist supply-siders and family-values social conservatives like Allan Carlson, who have been arguing for tax relief for working-class families for years.

Conservatives have had considerable success in arguing against making income tax credits refundable for the non-tax-paying poor. They argue that the very concept of “tax expenditures,” which treats special-purpose tax breaks like the child tax credit as the equivalent of government spending, is an academic fiction. In reality, they argue, these tax breaks are not government subsidies at all. The government is simply allowing taxpayers to keep more of their own money.

But this argument against extending income tax credits to Americans with little or no tax liability does not work against extending income tax credits to Americans with another kind of tax liability—payroll tax liability. Conservatives may argue that the untaxed poor don't deserve tax breaks—but working-class Americans are taxpayers themselves. Conservatives cannot argue that Americans who pay payroll tax should be discriminated against in favor of Americans who pay income tax. Doing so would be political suicide.

In an ideal world, the Total Tax Credit would be refundable so that non-taxpayers among the working poor would get them, too, in the form of federal subsidies like the EITC. However, abandoning the goal of making the Total Tax Credit refundable to the non-tax-paying poor might be the price of a bipartisan coalition to enact this important reform.

Besides, Republicans who oppose the TTC will doubtless have it pointed out to them it was Newt Gingrich who in 1994 proposed making the child tax credit available to payroll tax payers—a key element of the Total Tax Credit proposal. And it was Bush who in 2006 proposed capping “gold-plated” income tax expenditures, a precedent for another key element of the TTC system: capping “gold-plated” tax expenditures that benefit the affluent.

Nor would the TTC pit income tax payers against payroll tax payers. On the contrary, large numbers of income tax payers would be able to add their payroll tax to their income tax, against which they could claim bigger tax credits. Many in the upper-middle class as well the lower-middle and working classes would

benefit from a Total Tax Credit law.

Making payroll tax payers eligible for all income tax credits is a big idea that can shake up the stagnant domestic policy debate. We've had three decades of income tax cuts for the elites; now it's time for payroll tax cuts for the masses. “Lift, cap, and share” should be the motto of proponents of the TTC system. Lift the cap on payroll taxation; cap all income tax expenditures; and share all existing income tax expenditures with Americans who pay payroll tax, even if they pay no income tax at all. If Democrats are shrewd enough to take up this cause, they could immunize themselves against conventional right-wing attacks. How could conservatives possibly object to cutting taxes and modifying existing programs to make them more fair? (There would still be the option of adding new tax credits in the future, like one to help people buy health insurance under an individual mandate system or to offset public health programs paid for by state taxes.)

It's time to share the credit—the tax credit. The next president should work with Congress to ensure that all taxpayers get exactly the same tax breaks, whether they pay income tax on top of payroll tax or payroll tax alone. That's not only fair—it's the American thing to do. **TAP**

Michael Lind, the Whitehead Senior Fellow at the New America Foundation, is author of The American Way of Strategy.

Culture & Books

"[John Edwards aside], most of the remaining [Democratic] contenders are constructing agendas that echo Bill Clinton."

— PAGE 41



At Home in the Borderless World: Michael Winterbottom, director of a planet in flux

MEDIA

ROAD PICTURES FOR OUR TIME

Filmmaker Michael Winterbottom is that rare Western artist who can depict the streets of Tehran and Karachi. It's movie stars that trip him up.

BY ALISSA QUART

RIGHT NOW A POLITICAL filmmaker of great talent is making more than one film a year—17 in the last 15 years. That's the good news. The bad news is that his work has yet to be viewed by a substantial audience.

That filmmaker is Michael Winterbottom, director of this summer's *A Mighty Heart*, an adaptation of Mariane Pearl's memoir of the kidnapping and murder of her husband, reporter Daniel Pearl. The red-carpet attractions of its star, Angelina Jolie, have helped publicize the film, but they have not brought it high

box-office returns. The same was true for another of Winterbottom's films, *In This World* (2002): It received so little distribution when it came out stateside four years ago that if you saw it, you were probably a film critic.

Despite his still small following, Winterbottom deserves to be known as a filmmaker for our time. At 46, the British-born and London-based director can handle, without apparent strain or sanctimony, themes of religious radicalism, national boundary crossing, and poverty. Unlike *Sicko*'s Michael

Moore, Winterbottom is interested in conditions and situations rather than in single issues, single villains, or a single dim-witted, belligerent president who dodged the draft and mangles grammar. Moore and *Syriana*'s radical-chic writer/director Stephen Gaghan are parochial in comparison, pale descendents of a previous generation of filmmakers who offered unique investigations of political corruption—Alan Pakula's *The Parallax View* (1974), Costa-Gavras' *Z* (1969), or Gillo Pontecorvo's *Battle of Algiers* (1966)—films in which the corruption was centered on a couple of bad guys with mustaches or on the regime of a nation in colonial upheaval.

In contrast, Winterbottom's best film to date, *In This World*, is about an entire part of the world and how it is linked to Europe through money, labor, and geography. The film's leading characters, two young Afghan men, leave a refugee camp where children make bricks for a living, smuggling themselves via a migratory



Soccer, At Least, Is Global: The characters in *In This World* must cross many borders.

silk route to London. They buy their way onto trucks, buses, and, most terrifyingly, a nearly airless ship container, traversing Pakistan, Iran, Turkey, Italy, and England. Here, as in other films, Winterbottom appropriates the road movie, creating and becoming the master of a new genre, the political road movie.

Dispensing with the road movie's typical coming-of-age or square-turning-bohemian story lines, the leads of Winterbottom's best films hurtle between the populous, violently devout cities of newspaper headlines—Tehran, Sarajevo, Karachi—places where living, let alone making a movie, is an extreme sport. Among those films are *Welcome to Sarajevo*, about the war in Bosnia, and *The Road to Guantanamo* (which he co-directed), a docudrama about three British Muslims captured in Afghanistan, turned over to U.S. forces, and jailed for two years as alleged enemy combatants in Guantanamo. He tends to cast as many nonprofessional actors as he can manage. The leads in *In This World* were non-actors; after making the film, one of them went as a refugee to the U.K., where he was told he would have to leave before his 18th birthday.

It would seem that Winterbottom, with his production company Revolution Films, sees himself as an activist, or at the very least, an advocate. But trying to get a bead on his ambient politics isn't

as easy. In one interview, in that irritating, I-am-a-cipher-movie-person way, Winterbottom resentfully shrugged off the suggestion that he made “political films.” Yet he has also said, “If you want to be political, you have to do something in the mainstream, something that is going to affect a number of people.” He has derided the Labour Party in print for being too disconnected from the people

The leads of Winterbottom's best films hurtle between populous, violently devout cities—where living, let alone making a movie, is an extreme sport.

it represents and, last month, echoing the relativism that is now a habit of mind for the European Left in an interview with *The Washington Post*: “There are extremists on both sides who want to ratchet up the levels of violence, and hundreds of thousands of people have died because of this.”

Winterbottom's lyrical, equalizing Leftism, a proclivity that Judea Pearl, Daniel Pearl's father, took issue with on *The New Republic's* Web site this summer, suits him in a way: The last time great political filmmakers stomped the earth, during the 1970s, the story was literally binary, in the fashion of all Cold War tales. Winterbottom has come into his talents in a period when it's hard to

get a fix, when there seem to be a multitude of evils, some good, and a whole lot of blur.

Aesthetically, Winterbottom is also committed to blur, his jagged, on-the-run style created, in part, by hand-held cameras and digital film and occasionally improvised dialogue. “We didn't tell the characters to be happy or sad, because we couldn't do that. We didn't share their culture,” he has said of the non-actor leads of *In This World*. “We simply organized the journey, the mechanics.” The preference for improvisation has deep roots in political cinema, as if to underline how “real” and close to the ground a particular film is, but it also suits Winterbottom's fascination with social systems that have broken down. As these systems waver, there's real shock and suspense, as in one Winterbottom film scene, where three boys climb an icy mountain at night in order to cross from Iran to Turkey. It's shot in night-vision film and with a hand-held camera that runs and slips and hides with the actors, so the audience is forced to share their physical exertion, fear, and night blindness.

The cities he films tend to be derogat-

ed by the West as incubators for thieves, terrorists, and zealots; Winterbottom shows them as also sublimely beautiful. There are dun-colored mountain passes in Iran; bright, decaying streets in Pakistan where vendors sell giant flatbreads to boys who will soon be imprisoned as terrorists; and a boy seeking asylum in London using the truck in which he is being smuggled as a jungle gym. Even *Code 46*, a sci-fi film, is really about the look and feel of the “developing” world: In that film, some people live in protected zones, played by Shanghai and London, and the others in unprotected ones, played by Dubai and India, sandy places where throngs compete to survive—and the latter are far lovelier.

In his latest film, *A Mighty Heart*, Winterbottom's improvisational grace is on display in images of the woman who wipes the floors at the home where the Pearls stayed, the taxi cab drivers whose vehicles are pressed bumper to bumper on every street, and the men walking somberly in long cotton shirts down detritus-lined streets. There's also a subplot in the film that, in its inter-necine ambiguity, is pure Winterbottom—Pakistan's counter-terrorism unit's investigation of Pearl's kidnapping while the government stonewalls.

When *A Mighty Heart* falters, though, it does so because Winterbottom deviates from his loyalty to the street, largely to attend to the overwhelming presence of Angelina Jolie as Mariane Pearl—the lips, the halo of artificial black, curly hair and tinted skin, the Medea-like primal scream, the adopted brood waiting in the trailer just offscreen. Whatever anyone says about Jolie's new-found humility, she certainly chews the scenery here. And *A Mighty Heart* has a directorial issue as well. Winterbottom doesn't use celebrities or stars particularly well in his films—see Tim Robbins' awkward performance in the film *Code 46*. The director seems uncomfortable centering his films on conventionally glamorous, romantic, famous, or heroic people. That discomfort, bordering on ineptitude, weakens *A Mighty Heart*.

Winterbottom's disregard for individuals hurt his previous effort, *The Road to Guantanamo*, as well. The film pivots on the presumption that the Tipton Three were innocent tourists, yet one has since admitted to having been trained by al-Qaeda. The film's lack of skepticism and attendant psychological depth—ostensibly Winterbottom didn't know the truth, although there's a chance that he simply didn't care—now mars it.

By and large, though, Winterbottom's disinterest in celebrated people gives his best films an oceanic feel that American films, with their faith in singular heroes, can't even fake. It remains to be seen when and if Winterbottom's full promise will be realized. It would help, I think, for him to lay off the Jolie-style stars and hew to his small-budget obsession with

the interlocking grid of global poverty, misrule, and transmigration. His next feature, *Murder in Samarkand*, due out in 2008, will be a pitch-black comedy centered on a real-life British ambassador, Craig Murray, played by British television comedian Steve Coogan. Murray struggled to expose a murderous dictatorship in Uzbekistan, compiling a list of his host government's slayings and other abuses. According to the ambassador's memoir, on which the film is based, the British Foreign Office ultimately, and unfairly, dismissed him from his post.

With his new film, as with *A Mighty Heart*, Winterbottom may be one of the few Western directors that can enter the Arab or Pakistani street at street level.

He is good at stimulating viewers' sympathetic imaginations, reminding those in the protected zone about those in the unprotected one. He represents difficult places with such urgency that Americans watching his films are unlikely to be able to wander mentally back to their own swaddled lives. And that confrontation with and sympathy for the real beyond our borders, not a fashionable film screed or a flashy Hollywood feature with liberal leanings, is what we need most. **TAP**

Alissa Quart is the author of Branded: The Buying and Selling of Teenagers (Basic Books) and Hothouse Kids: How the Pressure to Succeed Threatens Childhood, just out in paperback (Penguin).

BOOKS

READY TO RUMBLE

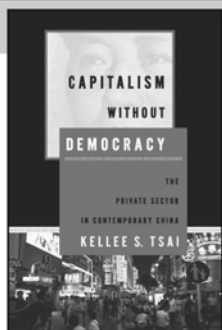
THE ARGUMENT: BILLIONAIRES, BLOGGERS, AND THE BATTLE TO REMAKE DEMOCRATIC POLITICS BY MATT BAI The Penguin Press, 316 pages, \$25.95

BY RONALD BROWNSTEIN

NOT SINCE WATERGATE HAS THE electoral landscape appeared as favorable for Democrats as it does today. All polls show gale-force discontent with the country's direction under President Bush (he recently received the second highest disapproval rating Gallup has ever recorded in seven decades of measuring attitudes about presidential performance). From the 2008 presidential candidates to the party campaign committees, Democrats are consistently outraising Republicans. Even the electoral calendar is cooperating: Democrats next year must defend only 12 Senate seats compared to 22 for Republicans, including seven in blue or Democrat-trending states where disillusionment with Bush and the Iraq War is most intense. Not all trends, though, are as positive for the party. Many Democratic strategists understandably remain uneasy about Congress' sinking approval ratings and the mixed performances by the leading 2008 Democratic presidential hopefuls in head-to-head polls against the top Republican candidates.

But overall, it seems more relevant than it has in many years to ask how Democrats would govern if provided unified control of Congress and the White House.

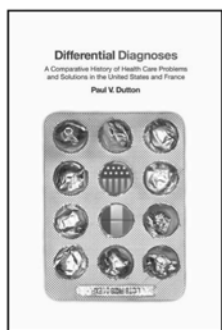
Into that breach steps Matt Bai, a talented writer and reporter for *The New York Times Magazine* with an entertaining account of the Democratic Party's search for direction in the Bush years. Bai has produced a political history at the ground level, if the ground level is defined to include the penthouse. He believes the most important contemporary development in the Democratic Party is the emergence of a diffuse movement—ranging from rich coastal liberals to the dispersed activists who find community on liberal Web sites such as the Daily Kos—united in the belief that the party since the early 1990s has faltered before the challenge of an ascendant conservatism. In *The Argument*, he takes readers on a tour through this political uprising, traveling from East Coast to West to spend time with key figures such as Rob Stein, a restless former Clinton administration aide who



**CAPITALISM WITHOUT
DEMOCRACY**
*The Private Sector in
Contemporary China*
KELLEE S. TSAI

"This very well-written and richly detailed book offers a convincing critique of the common perception that privatization is leading to democratization in China."

—Bruce J. Dickson, author of
Red Capitalists in China
{ \$21.00 paperback }



**DIFFERENTIAL
DIAGNOSES**
*A Comparative History of
Health Care Problems and
Solutions in the
United States and France*
PAUL V. DUTTON

"Dutton exhibits superb scholarship and insight on the evolution of health care financing and organization in France and the U.S., demonstrating that France's health system is more relevant for the United States than the health systems of Canada, Germany, and Britain."

—Victor G. Rodwin, NYU
{ \$29.95 cloth | An ILR Press Book }

Available from your favorite bookseller or at
www.cornellpress.cornell.edu

NEW FROM CORNELL UNIVERSITY PRESS

organized wealthy Democrats to fund a liberal alternative to the conservative political "infrastructure" constructed since the 1970s; Markos Moulitsas Zúniga and Jerome Armstrong, pioneers of liberal Internet activism; Howard Dean, the insurgent presidential candidate turned renegade party chairman; Andy Stern, the thoughtful Service Employees International Union president laboring to modernize not only liberalism but organized labor; and Ned Lamont, the wealthy antiwar businessman who,

Clinton and a wealthy liberal at a private conference of big Democratic donors that Bai industriously wormed his way into.

Bai also offers three-dimensional profiles of his subjects. He clearly likes almost everyone he writes about and finds them idealistic, thoughtful, and fun. But he's hardly blind to their flaws; the reader leaves the book with the sense that by the time Bai finished he didn't admire many of them quite as much as he expected to. His portrait of Moulitsas, the brash founder of the eponymous

More than anything since the early 1970s, the liberal movements that blossomed in opposition to Bush have invigorated the Democratic Party's left wing.

shooting star-like, beat Joe Lieberman for the Democratic Senate nomination in Connecticut last year, but then lost the general election to him.

This approach yields many insights and some wonderfully told tales. The diversity, passion, and distance from conventional power of Bai's cast allows him to illuminate the challenges facing Democrats from some fresh angles. But that strength is also the book's weakness: Ultimately most of the characters Bai chooses are too peripheral to tell the story he tries to load onto their backs. *The Argument*, like a plane endlessly circling the runway, approaches but never quite reaches the toughest choices that the Democrats confront.

Still, Bai is an excellent writer and reporter with a deft touch for revealing character and a reliable gift for crafting memorable phrases. Howard Dean's "scream" speech after the Iowa caucus in 2004, he writes, was "like a man trying his damndest to give an upbeat toast at his ex-wife's wedding." Bai admiringly describes one grassroots activist as "the kind of woman who would think nothing of climbing a chain-link fence in heels." He has an easy way with a story, too, which he displays to great effect through long set pieces like a car ride from Los Angeles to San Francisco with Armstrong and Moulitsas, and a gripping confrontation between an enraged Bill

Daily Kos, is especially edgy; Bai appears to see him as more operator than idealist. He pauses the book's On the Road section with Armstrong and Moulitsas to make sure we're aware that Moulitsas doesn't recognize the name of Pat Cadell, the enfant terrible strategist who helped shape the presidential campaigns of Jimmy Carter in 1976 and Gary Hart in 1984 and also lingers on the fact that Moulitsas hasn't read two books directly related to subjects on which he opines with great passion. It's the authorial equivalent of a raised eyebrow.

Bai gets plenty of the big things right, too. He's correct to argue that the diverse liberal movements that blossomed in opposition to Bush have invigorated the left wing of the Democratic Party more than anything since the antiwar, civil-rights, environmental, and feminist movements of the 1960s and early 1970s. "More than at any time since the 1960s," he writes, "the party and its leading politicians were being forced to respond and adapt to a popular movement beyond their control." And he's equally correct to argue that although this movement leans left, its motivation is more partisan than ideological. "To the extent that a single philosophy united all of [these] people," he writes, "it wasn't any kind of governing agenda for the country. Rather, the netroots stood chiefly for the principle of unyielding partisanship ... According to the blogger

ethos, Republicans, whether staunchly conservative or not, were to be stomped, beaten, and generally humiliated. And any Democrat who didn't pursue that goal ... needed to be taught a lesson."

Bai shares this movement's disdain for the Washington Democratic establishment (which he sees as timid and cautious), and he generally views both the activists in the suburban tract homes and the rich donors in the houses on the hill as rejuvenating influences in a party desperately in need of them. Yet, characteristically, Bai is also keenly aware of the movement's limitations, such as a studied, even defiant, aversion to history. To most bloggers, he writes, anything that had occurred before Bill Clinton's impeachment in 1998 "felt as ancient ... as the underlying causes of the Peloponnesian War, and about as useful." He doesn't blink at the pettiness and arrogance displayed by many of the Democracy Alliance's benevolent plutocrats. And he wearies of the movement's elevation of tactics over substance, and its demand

for unrelenting, unconditional political warfare, writing sympathetically about Barack Obama's amazement after he generated a ferocious backlash from Kos readers with a plea for more tolerance of diverse views within the Democratic coalition and greater outreach to those voters and interests outside of it.

In all these ways *The Argument* has much to teach anyone interested in the modern Democratic Party. Yet overall the book is less illuminating than it might have been. Part of the problem is that several of Bai's subjects fizzle out. Any author who tries to tell a contemporary story by following individual characters is in a situation similar to a wildcatter drilling for oil. Bai, alas, hits a few dry holes: The Democracy Alliance mostly spins its wheels; Lamont loses; Jerome Armstrong's 2008 presidential candidate (former Virginia Governor Mark Warner) doesn't run. These characters' experiences today don't seem as central to the Democrats' future as Bai probably expected when he chose them. For all of

the book's considerable virtues, trying to understand the modern Democratic Party through *The Argument* is a bit like trying to understand Hamlet through *Rosencrantz and Guildenstern Are Dead*.

The larger problem is that Bai never establishes a clear, or even consistent, perspective on the debates over the party's direction. On the one hand, Bai eloquently argues that after the 1960s too many Democrats worshiped "a batch of statutes"—programs such as welfare or affirmative action—that they refused to rethink despite evidence that they alienated voters and achieved, at best, only equivocal results. He persuasively compares the Democratic Party of that era to General Motors, unable to adapt to a new generation that simply was no longer attracted to its products. The most consistent note in the book is Bai's yearning for Democrats to boldly rethink their agenda and produce "transformative solutions" that respond to the challenges of the Information Age as the Progressives and New Dealers responded to the

Managing the President's Message

The White House Communications Operation

Martha Joynt Kumar

"Traces the history of the often fractious relationship between the White House and the press."

—Ken Auletta, author of *Media Man: Ted Turner's Improbable Empire*

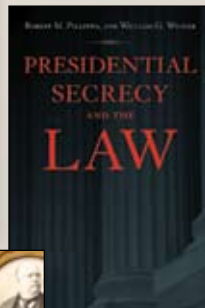
"A remarkably accurate picture of how presidents deal with the press."

—Marlin Fitzwater, Press Secretary for Ronald Reagan and George H. W. Bush



Presidential Secrecy and the Law

Robert M. Pallitto and William G. Weaver



Examines the history of executive branch efforts to consolidate power through information control. Pallitto and Weaver find the nation's democracy damaged and its Constitution corrupted by staunch information suppression.

The Political Philosophy of Benjamin Franklin

Lorraine Smith Pangle

"Pangle digs unusually deeply into Franklin's writings and the history of his doings."

—Steven Forde, University of North Texas



Leading Representatives

The Agency of Leaders in the Politics of the U.S. House

Randall Strahan

Explores the tactics, tenure, and efficacy of the leadership of three of the most colorful and prominent Speakers of the House—Henry Clay, Thomas Reed, and Newt Gingrich.



Freedom Reclaimed

Rediscovering the American Vision

John E. Schwarz

"First-rate, sound, and convincing defense of expansive freedom and active government against the currently dominant 'free market' version."—*Choice*

THE JOHNS HOPKINS UNIVERSITY PRESS

1-800-537-5487 • www.press.jhu.edu



demands of America's industrial revolution. In all these arguments, Bai sounds like nothing so much as Bill Clinton and the "New Democrats" of the 1990s who insisted that the party needed new means to advance its traditional priority of expanding opportunity.

But simultaneously, and much too casually, Bai accepts the bloggers' cartoon version of Clinton's presidency. Although he doesn't fully identify with the sentiment himself, Bai sympathetically quotes liberal critics who argue that Clinton "had stripped the party of its moral authority, and ... brought the country itself to the edge of ruin." If so, ruin had relocated to some pretty tony neighborhoods. During Clinton's eight years, the country experienced the largest decline in poverty since the 1960s, a 15 percent increase in the median income (with African Americans and Hispanics recording much bigger gains than whites), massive job creation, and the first federal surpluses in three decades, not to mention improving social indica-

tors such as declining crime rates. Bai doesn't grapple with any of that. Nor does he assess, in anything more than a fleeting reference, Clinton's efforts to rethink traditional liberalism—exactly what Bai urges the Democratic Party to do today. Clinton's signature ideas—balancing opportunity with responsibility and government activism with fiscal discipline; rewarding work; coupling support for free trade with expanded education and training—aren't all still relevant for a Democratic Party hardened by two terms of brutal combat with Bush and congressional Republicans. But Bai makes little effort to think about what in that legacy should be saved, and what discarded. By failing to do so, he commits the sin for which he correctly chides the netroots: slighting history.

Bai's plea for a more ambitious, transformative Democratic agenda, also seems disconnected in another key respect. Visionary ideas detached from a strategy to move them into law are like balloons without strings. (As John F. Kennedy

once put it when an aide urged him to promote a policy he knew he could not pass through Congress, "That's vanity ... not politics.") But Bai never decides whether he believes the new liberal movement is correct that Democrats can achieve sustained power and impose a sweeping agenda through a deliberately polarizing politics primarily aimed at motivating their base, or whether they must find ideas that can attract broad support across party lines, even if that means some conflict with the party base. Through his criticism of Clinton, Bai seems dubious of the latter strategy, but he also recognizes the limitations of the former. As he should: Bush's disastrous second term has demonstrated that not only the country but a political party itself loses when it aims its agenda almost solely at its core supporters. But Bai's characters don't fully think through this basic choice, and he doesn't rise above them enough to do so, either.

Yet outside the scope of Bai's book, in the early stages of the 2008 presidential



Invest in the working poor

The NICA Fund

Investing in microcredit makes you a partner in building better futures for the people of Nicaragua.

To learn more, contact
WCCN
122 State St. 507
Madison, WI 53703
1-888-224-NICA
info@wccnica.org
www.wccnica.org

The NICA Fund is a project of the Wisconsin Coordinating Council on Nicaragua. This announcement does not constitute an offer to sell or a solicitation of an offer to buy the securities in states where it is not registered. This direct public offer may only be made by means of the official offering circular (prospectus).



FELLOWSHIP OPPORTUNITY

Rosie's Place (www.rosiesplace.org) offers the Kip Tiernan Social Justice Fellowship in honor of its founder. This 12 month fellowship provides a generous stipend and health benefits and will be awarded annually to an individual who develops and carries out a project that will benefit poor and homeless women. Concept papers due December 1st. Fellowship will be awarded in the spring/summer of 2008. For inquiries and/or application, contact: Fellowship, Rosie's Place, 889 Harrison Avenue, Boston, MA 02118, or smarsh@rosiesplace.org.

race, that rethinking does seem to be occurring and heading toward a strikingly pragmatic resolution. John Edwards, reviving some of Dean's 2004 arguments, has denounced Clintonesque triangulation and insisted the party cannot win without bold liberal proposals. But after seven years of battle with Bush, none of the other candidates—or for that matter, most early state Democratic voters—seem to have much stomach for a full-fledged ideological showdown. Instead, Obama, Hillary Clinton, and most of the remaining contenders are constructing agendas that echo Bill Clinton through themes of personal responsibility and fiscal discipline, but also reflect the Democrats' expanding sense of opportunity with proposals on health care, energy, and education more liberal than those Clinton advanced after his first term. Compared to the Clinton years, in other words, the candidates are tilting left, but not as far left as Bush tilted to the right. More reliant on the votes of moderate voters, Democrats are necessarily less attentive than Republicans to the demands of their ideological base.

The conflicts between that ardent base and more consensus-oriented Democrats—*The Argument* that inspires so much passion among Bai's subjects—inevitably would resurface if the party wins the White House next year. (If either Obama or Hillary Clinton is elected, their shared instinct to seek consensus could inspire many of the same complaints heard in the book about Bill Clinton.) But for now, the fight among the 2008 Democrats is less about where the party should go than about who best can take it there. Bai might have captured more of that somewhat surprising dynamic if he had included among his characters some insiders—congressional leaders or a presidential candidate—actually weighing these considerations as they set their course.

It would be a mistake to dwell too long on these limitations of *The Argument*, because the strengths of its reporting and writing greatly outweigh them. Bai's coverage of the 2004 presidential campaign was fresh and distinct. This book underscores his emergence as an important

new voice in the political dialogue, with keen insights and an engaging way of expressing them. As a writer, he's always fun to spend time with. And if he didn't really answer the most difficult questions facing the Democratic Party, well, he has plenty of company in that. He's sure to get

a few more chances, because, while it may be in abeyance now, *The Argument* isn't ending any time soon. **TAP**

Ronald Brownstein is the national affairs columnist for the Los Angeles Times.

BOOKS

WHICH KIND OF ECONOMICS?

THE MYTH OF THE RATIONAL VOTER: WHY DEMOCRACIES CHOOSE BAD POLICIES BY BRYAN CAPLAN Princeton University Press, 276 pages, \$29.95

AMERICA WORKS: CRITICAL THOUGHTS ON THE EXCEPTIONAL U.S. LABOR MARKET BY RICHARD B. FREEMAN Russell Sage Foundation, 191 pages, \$19.95

BY JARED BERNSTEIN

ECONOMIC ANALYSIS CAN CONstrict our imagination and choices, or it can allow us to evaluate choices with greater clarity and insight and help us to achieve the goals of a prosperous and decent society. The two books under review here show contemporary economics in its most dismal and luminous forms. Both argue that public policy is seriously off track, but the similarity ends there. One writer assumes that economists always know best, and he provides a misleading and constricted view of America's economic alternatives. The other has a deep respect for market forces as well as an appreciation of their limits, and he provides a far more useful guide to some of the critical economic choices that the country faces today.

In *The Myth of the Rational Voter*, Bryan Caplan claims that because voters don't understand his version of conservative economics, they are unable to evaluate economic policy alternatives correctly. In fact, according to Caplan, who is an economics professor at George Mason University, non-economists consistently support policies that they think will help them but will actually make them worse off. In other words, we would be better off if everyone without an economics degree stayed home on Election Day.

The big problem with Caplan's argument is that he fails to show that his version of economics gives us the optimal policies. For example, conventional neo-

classical economics predicts that raising the minimum wage will lead to job losses for some of those affected by the increase. Research on recent increases in the minimum wage, however, reveals that their employment effects hover around zero. Some research finds slight job losses, much finds no effect, and a few studies find a positive impact on jobs. Is it possible that the majority of voters who support moderate increases in the minimum wage know this literature better than Caplan?

Or take another example: For years, economists of Caplan's stripes believed that if the unemployment rate fell below 6 percent, inflation would spiral. Yet unemployment fell in the 1990s, hitting 4 percent in 2000, and inflation decelerated. It turns out that the allegedly irrational voter who ignored most professional economists was right.

Of course, voters aren't steeped in economic research nor are they necessarily rational about economic policies. When they have a direct stake, people sometimes have far more nuanced views than Caplan would allow. Regarding trade, for example, Caplan believes that voters suffer from what he calls an "anti-foreign bias." He imagines the typical non-economist saying about this issue: "Foreigners? Could it really be mutually beneficial for us to trade with *them*?" Yet, a *New York Times*/CBS poll from earlier this year showed that although

two-thirds of respondents believe trade is good for the U.S. economy, a slight majority (51 percent) believe we've lost more than we've gained from globalization. People are beginning to understand, better than some economists, that while expanded trade has boosted growth, the benefits haven't reached them, and this understanding is leading them to support politicians such as Sens. Sherrod Brown and Jim Webb who speak to this inequality. That's not irrational.

In the absence of evidence that Caplan's economics can reliably point us toward superior outcomes, the structure of his argument crumbles. Economists, he concedes toward the end, "are often accused of arrogance," and to help prove this point, he has given us a book that is a prime example of why that description so often seems apt.

RICHARD FREEMAN'S *AMERICA WORKS* is an altogether different kind of book. Freeman, a Harvard labor economist with a long career of careful,

empirical research and a deep historical knowledge of American political economy, provides us with one of the most convincing and authoritative accounts of the strengths and weaknesses of the U.S. economy. This is a slim, readable volume that both celebrates market forces and provides a stark warning of the need to strengthen the institutions that hold those forces in check.

At the heart of *America Works* is a detailed, thoroughly documented critique of changes in the labor market and political economy over the past few decades. America is not working the way that Freeman thinks it should, can, or has in the past, and he's not happy about it. The analysis starts with the recognition that the U.S. economy is an exception from patterns prevailing elsewhere: "More than any other advanced country, the United States relies on the competitive labor market to determine the well-being of workers and the living standards of their families." In comparative perspective, our markets

have become increasingly unfettered by collective bargaining, national health insurance, safety nets such as unemployment insurance, mandated vacation time, worker training, or virtually any dimension of what is broadly called the "social contract."

In other words, relative to every other advanced economy, we let markets rip. The problem is that during the past few decades, they've been ripping up the social fabric. The result is much higher levels of inequality, and Freeman, a master of international comparisons, provides tons of compelling and readable evidence.

This is not an original point, but given Freeman's depth of understanding of both sides of this equation—markets and their buffers—he develops his theme with exceptional clarity and effectiveness. In chapters on diminished unions, weak social insurance and porous safety nets, the rising clout of executives relative to the rest of us, and globalization, Freeman paints a clear picture of how, under the rubric of deregulation and expanded trade, economic power has shifted from labor to capital.

These developments jammed the mechanisms that in earlier decades ensured a much more equitable distribution of the fruits of productivity growth. The result is that since the latter 1970s, wages, income, and wealth have been accumulating at the top of the scale, leading to levels of inequality we haven't seen in this country since the Roaring Twenties. Moreover, inequalities of this magnitude are self-reinforcing: They purchase a politics that exacerbates them (see Bush tax cuts), and block pathways to opportunities for the have-nots.

In a mode that is too rare among academic economists, Freeman worries that such distributional dynamics are "unhealthy for American ideals of political classlessness and shared citizenship. The term 'two Americas' ... is more than political rhetoric. It is reality."

Moreover, according to Freeman, things don't have to be this way. Many writers on economics see an inexorable trade-off between growth and inequality; in the words of influential *Washing-*

You have seen such zoom binoculars advertised nationally for \$150...

6x to 18x

JomiraZooms

from us only \$99* (why pay more?)

***But read this ad for an even better deal**



JomiraZooms are the absolutely ultimate in binoculars. They fit in your hand and weigh less than 7 ozs. But they pack an enormous wallop in their small body. Porro roof-prism construction and ruby-coated lenses guarantee pinpoint sharpness at any distance. The 18mm objective lenses provide great light-gathering capacity making **JomiraZooms** utterly reliable even in the dim light of dawn or dusk. The zoom lever lets you smoothly change the magnification from 6x to 18x or anything in between. There can be nothing more useful for sports, nature watching, navigation, and so many other pursuits.

We are the exclusive importers of **JomiraZooms** and are therefore able to bring them to you at the unprecedented price of just \$99. Similar zoom binoculars are nationally advertised at \$150. **But here is the "even much better deal." Buy two for just \$198 and we'll send you a third one, with our compliments – absolutely FREE!** That brings the cost to just \$66 each! Incredible, isn't it? Treat yourself to something extraordinary that will give you a lifetime of use and pleasure. Order your **JomiraZooms** today!

* JomiraZooms focus smoothly from 6x to 18x or anything in between, letting you see unexpected details. Porro prism construction and ruby-coated lenses are the best in optical construction. The 18mm objective lenses provide high light-gathering capacity. JomiraZooms come with a belt-looped carry case and strap.

How to order

You may order by toll-free phone, by mail, or by fax and pay by check or AMEX /Visa/ MasterCard. Please give order code shown. Add \$6.95 for one, \$12.95 for three ship./ins. and sales tax for CA delivery. You have 30-day refund and one-year warranty. We do not refund postage. For customer service or wholesale information, please call (415) 356-7801. **Please give order code Y901.**

jomira

division of jomira/advance

470 Third Street, #211, San Francisco, CA 94107

Order by toll-free phone: 1-800/600-2777, or (fastest!) by fax: 1-415/356-7804.

Visit our website at www.jomira.com

ton Post columnist Steven Pearlstein, “There is no realistic high-growth, low-inequality solution.”

Freeman flatly rejects this notion. He recognizes that some of his “conservative colleagues believe that Americans have no choice but to ‘suck it up’ and accept growing inequality and insecurity

fact, such organizations lack the ability to represent workers in a particular office or factory and cannot bargain with management over wages and benefits. Instead, think of these groups as membership organizations, like the AARP, that represent the cause of labor writ large. (The AFL-CIO has already cre-

that doesn’t involve collective bargaining. From the perspective of a political movement representing labor’s concerns (didn’t there used to be a party that did that?), I like the idea of open-source unionism. But Freeman himself would probably grant that relative to the direct bargaining of traditional unions, it is only an indirect way to reconnect growth and living standards.

What Freeman ultimately shows is that, yes, “America works,” but it could work much better. For a while now, it’s worked in a manner that’s fundamentally inconsistent with the other side of American exceptionalism—the part about opportunities for all and fair rewards for true merit and for anyone willing to make a gainful effort. This invaluable book points the way back to that truly exceptional America. **TAP**

Jared Bernstein is a senior economist at the Economic Policy Institute and author of All Together Now: Common Sense for a Fair Economy.

If open-source unions developed successfully, they could give voice to the majority of unorganized workers, who want to be represented by a union.

at work, though they would never use such strong language ... I reject these prescriptions for doing nothing.”

His program for restoring balance comprises the last chapter of *America Works*. It’s a terse discussion, and while some may find the ideas to be too bare-bones, Freeman hits precisely the right level of detail for this kind of book. He offers two sets of proposals, the first targeted at workers and firms, the second at worker bargaining power. The first set includes boosting the pay of low-wage workers through higher minimum wages and an expanded Earned Income Tax Credit (those arguing against minimum wages always set these two ideas up as oppositional, but Freeman is right that we need both), national health care (among other advantages, it would “lower the marginal cost of hiring labor”), greater public investments, and more profit sharing.

The second set includes greater corporate governance as an antidote to irresponsible boards run by old-boy networks, and expanding “modes of representation for workers beyond the dichotomy between a collective bargaining contract and nothing.” In earlier work that’s now widely accepted, Freeman almost single-handedly reversed economists’ negative assessment of unions’ impact by showing that organized labor pushes back against inequality without hurting productivity growth.

Now, however, Freeman advocates “open-source unionism,” a pretty different creature from the current form. For one, it requires neither majority status nor collective-bargaining contracts; in

ated one such organization, Working America, which now has more than a million and a half members.) If open-source unions developed successfully, they could give voice to the majority of workers, who, according to Freeman’s survey data, want to be represented by a union but don’t belong to one now.

Of course, open-source unions might not succeed, and one can certainly worry about the effectiveness of unionism

RING OF FIRE

3 Ring Fire

Robert F. Kennedy Jr. & Mike Papantonio welcome
Politically Direct's David Bender as co-host
of the new 3-hour Ring of Fire

Robert F. Kennedy Jr. Mike Papantonio David Bender

Weekends on Air America Radio & XM Channel 167
Go to RingOfFireRadio.com find your local station.

AIR AMERICA RADIO

goleft tv
www.goleft.tv

What Worker Rights Can Do

BY THOMAS GEOGHEGAN

WHY PUT WORKER RIGHTS IN TRADE BILLS? AT FIRST glance they seem toothless. In the past, when these rights made it into trade bills, the signing countries just had to “strive to ensure” the rights. Now congressional Democrats are crafting a new, tougher

trade bill for Panama and Peru with language that would flat-out ensure worker rights.

Still, as a labor lawyer, I have my doubts. In 1995 when I helped bring a workers’ case against the Mexican government under NAFTA, not a darned thing happened. Why do free traders go into fits over worker rights? So far as I can tell, the rights have yet to stop a thimble’s worth of trade. Indeed, it’s possible that the tougher the sanctions for these rights, the less likely it is that the U.S. will ever apply them. Government is, well, government. It likes the quiet life.

Besides, it seems unlikely the U.S. will complain about violations of worker rights in foreign countries when some of our rivals could make the same complaints about us. I often wonder, why they don’t. Maybe these more unionized countries, like Germany, figure our lower labor standards in some way hold us back from competing as effectively in higher-wage, higher-skilled types of industries.

Yet even if the worker-rights language was never enforced, I’d still argue for putting it into trade bills. Yes, our government likes the quiet life, but other governments do, too, so sometimes they ask: “How do we comply?” These worker-protection agreements also create more leverage for labor groups to lobby. And they skew any debate in these countries in favor of rights. A human-rights lawyer friend once conceded that these “laws” aren’t laws, but he believed just *saying*

it’s a law changes how people think.

These worker rights also help trade. The big threat now to safe, predictable, and peaceful global trade is the rise of the so-called “managed” democracies, in Russia, Central Asia, and Venezuela, countries that control a lot of oil. Worker rights, though, create oppositions. They put checks on authoritarian rule. They promote the democratization that we attempted so badly in Iraq. The rise of the trade union Solidarity in Poland, helped by our own AFL-CIO, ought to be a model. Indeed, even the U.S. occupation of Germany has a lesson to teach: One thing the U.S. Army did in 1945 was to help put workers on corporate boards instead of preaching laissez-faire.

The great thing about pushing worker rights is that it also pushes a kind of political action. Indeed, it’s the closest thing to creating a political party, pulling people out of their old ethnic and religious networks. Above all, for unions to work, people have to trust each other, despite race and religion. If it can happen in South Chicago among black, white, and Latino, maybe it can even happen between Shia and Sunni. In the case of Iraq, at least, we should have supported any kind of secular organization if only to replace the Baath Party.

That sure would have beaten a six- or seven-year military occupation.

In the end, the countries with the strongest labor movements are also the most open to free trade. Sure, there is, and should be, some protectionist instinct. But the protectionism of an open democracy, with labor rights, is much more modest than the protectionism of a “managed democracy” without one.

So yes, we should include worker rights in our trade bills. They should be part of our foreign policy. But we should also think of alternatives to sanctions to make sure these rights are enforced. This summer, China’s leaders let its country’s workers sue in Chinese courts to enforce their employment contracts, even those with U.S. multinationals. Why? A labor lawyer who knows China told me, “Of course China doesn’t want people striking. They don’t want a Lech Walesa, or 1989.” But the Chinese got sick of being ripped off by the multinationals, “and unlike other countries, China has the clout to make demands on these companies.”

But here’s an idea: Why not let workers who are stiffed in foreign countries sue U.S. multinationals in American courts for their wages? Yes, they could be from

Honduras or Bhutan. Let them sue any U.S. corporation that has a 20 percent or more ownership of a company that refuses to pay a promised wage. Let them also sue any U.S. corporation that uses such a foreign company as an exclusive supplier. These would not be suits for human rights but class actions for cold,

hard cash. “But wouldn’t workers be terrified to bring them?” some may wonder. In some cases, yes, but it’s a big world, and not all the people in it are living on their knees.

Such a law would not stop outsourcing, but at least those who do it would have to foot the bill. Why not make them pay the real cost of doing business in this flat world they’re always touting? **TAP**

Pushing worker rights in some countries is the closest thing to creating an opposition party.